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December 15, 1969

Trade mission finds good sales prospects in Yugoslav tourism

International Trade Winds Newsletter

Company News

GASES—Air Products and Chemicals, Inc., Allentown, Pa., announced the expansion of its wholly-owned British subsidiary Air Products and Chemicals, Inc. in Carrington. A multi-million dollar project, scheduled for completion in January 1971, will enable the plant to supply increased quantities of oxygen and nitrogen to Shell Chemicals U.K., Ltd., which now receives Air Products' gases by pipeline. The expansion includes installation of a new 1,120 ton-per-day oxygen plant that will also produce a like amount of nitrogen, liquification and purification units, and additional on-site liquid storage increasing the facilities' capacity from 1,570 tons to 3,250 tons. Provisions will also be made for future extraction of rare gases and for automatic vaporization of liquid oxygen and nitrogen to safeguard supplies to Shell.

CONSTRUCTION—Monsanto Europe S.A., affiliate of Monsanto Co., St. Louis, announced that an herbicide formulation unit will be completed in the near future at Lillo, Belgium, near Antwerp. A manufacturing plant which will provide technical-grade raw materials for the formulation unit is also under construction and will be completed in mid-1970. The new plant will produce herbicides designed to kill wild oats and blackgrass as they germinate. The new formulating plant is the first step in Monsanto's expansion of herbicide activities in the United Kingdom and Europe. Monsanto markets insecticides, fertilizers and animal products for the agricultural world.

COMPUTER SYSTEMS—Sperry Rand Corp.'s Univac Division, Philadelphia, has received an order from Toyota Motors Co., a Japanese manufacturer of automobiles and trucks, for a $5 million computer system which will be installed this month. Toyota's Engineering Center in the company headquarters at Nagoya will house the main computer which will be used for a variety of engineering and scientific calculations; 25 remote data communications terminals will be located in 17 laboratory offices in the Center. In addition, a Univac graphic display unit will be linked to the computer for use in the design of automobile parts. Toyota's production for 1968 totaled 1.3 million vehicles.

There is business ahead for U.S. firms in Yugoslavia, reports a Specialized U.S. Trade Mission selling tourist industry equipment there, and particularly for those companies that have located an effective agent. And how to keep him effective? 1) Visit him often; 2) Train him early, preferably at company headquarters; 3) Send him out periodically on sales convention or business-and-holiday trips; 4) Offer him extra incentives, such as use of a company car.

U.S. firms made a fifth swing under Commerce guidance around provincial commercial centers in Thailand last month. The touring exhibition, whose major items were generator sets, air conditioners and refrigerators, stopped in Ubol, Khon Khen and Khorat. The tour brought out 1,130 trade visitors and on-site or 12-month projected sales totaling $460,870.

Just before this touring exhibition began in Thailand the Polaroid Corp., through its Thai agent, moved into the exhibition area at the Bangkok U.S. Trade Center between scheduled shows and demonstrated several of its camera models. The exposure was just right, said Polaroid's rep, happy with the attendance of 500 persons and the 12-month sales projections of $50,000.

Hawaii was a good place to start the first Indonesian Top Management Investment Mission to the U.S., said one of the members, because it provided "a good transition" with businessmen "who had interests similar to ours." The Indonesians said that they had not been aware how active Hawaii's businessmen are in the Asian-Pacific area. The Hawaii International Services Agency, acting for the State, put the eight Indonesians in touch with 48 Hawaiians, 39 of whom were either presidents or vice-presidents of their companies.

Hawaii's role as a business bridge also extends in other directions. The Hawaii International Services Agency has recently had discussions with a Chilean leader, to explore mutual ties with countries of the Andean Common Market. Investment and trade were two of the key areas in the discussions. "With an effective exchange of information," says Dr. George S. Kanahele of HISA, "Hawaii might well become a central clearing-house or an information bridge between Asia and Latin America."

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the cover

A meeting in the conference hall of the Croatian Chamber of Economy in Zagreb launched the Nov. 1-15 Specialized U.S. Tourist Industry Trade Mission to Yugoslavia, which found excellent prospects for U.S. sales as Yugoslavia rushes the completion of new hotels and resort facilities to meet growing waves of tourists. Ivan Bukovic (fourth from left), President of the Croatian Chamber of Economy, was the host at this conference. Story begins on page 2.

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YUGOSLAVIA'S RIVIERA ON THE ADRIATIC is the backdrop for this consultation at Opatija, with two local architect-contractors flanking (from left) mission director Clarence M. Zens, Dan V. Azzaro of American Standard and Paolo Zamperini, Honeywell. The mission found the coast area busy at resort projects.

TRADE MISSION REPORT

U.S. suppliers to help add Yugoslav tourist comforts

Firms in cooling, controls, laundry, bathroom, consulting fields expect $1.48 million sales

By CLARENCE M. ZENS
Mission Director

On the surface, the signs were impressive. Yugoslavia's prize-winning hotel architect, for one, had spent two hours thrashing over design, construction and installation problems with our members. A delegation of tourism enterprise officials from Dubrovnik, for another example, had undertaken an eight-hour motor trip to make sure they could consult with us. Everywhere the decision-makers in the fields that mattered most to us had come out in force, and stayed close.

But these indications—plus the unstinting hospitality in each community, and generous attention by press, TV and radio—still did not answer the key questions that size up a sales-centered trade promotion effort: What was occurring in the man-to-man business discussions? Were there results ahead for the U.S. firms on this Nov. 1-15 Specialized Tourist Industry Trade Mission?

"I think I can sum up what happened," replied one of the members, "if you will leave my company's name out of this comment, so that I may speak frankly. We have been astonished at the amount of business that awaits us here, and that in itself is surprising, because we have had some contacts in Yugoslavia for about 15 years, and have been directly represented here for the past 2½ years. But this personal visit has opened my eyes. It has turned up leads far beyond what we had known were here."

Summary figures submitted by the five companies that made up the mission confirm the observation. Total business expected in the next 12 months as a result of the mission is estimated at $1,480,000. Such expectations have a sophisticated basis, since the mission was recruited from among firms ready to explore new markets in Yugoslavia out of earlier experience there or in nearby East European areas.

Yugoslavia's tourism development plans, as offered to the mission, were almost mind-bending in their overall dimensions. One hotel association spoke of adding 280,000 beds, while another source mentioned an increase of a half-million beds in the next five years. Perhaps more significantly, the mission members sat down with developers, contractors, architects, and hotel executives involved in dozens of specific projects in the 400-1,500-bed range.

Thus, in Zagreb, they had talks with the planners of four major new hotels who are also directing the modernization of that city's Esplanade-Intercontinental, Palace and International Hotels. In

Clarence M. Zens, the author of the accompanying article, is also Managing Editor of this magazine.

Secretary on Yugoslav trade visit

Secretary of Commerce Maurice H. Stans, accepting an invitation from the Government of Yugoslavia, will visit Belgrade this week to discuss with Yugoslav officials the mutual promotion of trade between the U.S. and Yugoslavia.

Among the officials Secretary Stans will meet in his Dec. 18-20 consultations will be Mitja Ribicic, the President of the Federal Executive Council—who is, in effect, the nation's Prime Minister; Toma Granfil, the council member of the Federal Executive Council handling trade and economic affairs; Muhamed Hodzic, the Federal Secretary for Foreign Trade, and Rudi Kolak, the President of the Federal Chamber of Economy.

Secretary Stans' visit to Yugoslavia will be the first by a U.S. Cabinet officer since 1963. It comes at a time when both countries are viewing developments that can increase the dimensions of their mutual trade. Export levels in 1968 amounted to approximately $90 million each way.

Rijeka they met with officials designing a 1,500-bed tourist complex near that city's new airport on the island of Krk. In Primosten they checked installation opportunities for hotel construction aiming at 2,200 beds by 1972. A 650-bed Class A hotel is due to be ready there by June. The Dubrovnik group mentioned above brought details on 1,650-bed construction due to be completed next May, with 6,000 more beds to follow.

The timing of the mission was keyed to two stimulating circumstances well known both to the hosts and the visitors: 1) the new jumbo jets, soon to enter Transatlantic service, are likely to bring a tourism explosion throughout Europe; 2) Yugoslavia, not yet an "in" country for throngs of Americans that each year seek the sun in the Mediterranean basin, could soon be one of these favored destinations.

The mission shared this timing, indeed, with other visitors. Lively current interest in Yugoslavia was apparent at each stop. Other organized trade groups, or private teams, from the U.S., U.K., Scandinavia and other localities were crisscrossing our path.

Three fall missions

The Specialized Tourist Industry Trade Mission was one of three sent abroad this fall by the Bureau of International Commerce's Trade Missions Division. Another went to Britain to sell U.S. data processing equipment (for report, see INTERNATIONAL COMMERCE, Nov. 24 issue, page 18), and a third to Japan to promote U.S. techniques in the service industries.

The concept of the specialized trade mission was tested by the Commerce Department in three pilot efforts last spring. This kind of mission is organized around a sharply-targeted single-industry sales theme. Recruitment and advance planning are done by Commerce, which also supplies a mission director. But the business members pay their own way, act for their own companies in all consultations, and may stay on for further dealings at their option.

Compact group

The tourist industry group formed a compact unit, selling air conditioning equipment, temperature controls, sanitaryware and plumbing items, laundry and drycleaning equipment, floor and wall coverings, and management consultant services in the tourism development field. The mission chose the Yugoslav Republic of Croatia as its base of operations. It began in the Croatian capital of Zagreb, and also visited the Croatian cities of Opatija, Rijeka, Zadar, Primosten and Split along the Adriatic coast. There was also a stop at Ljubljana, in Slovenia.

Yugoslavia's unique business patterns, in which socialist theory is being matched against competitive marketplace practices, can be particularly intriguing to innovation-minded U.S. business visitors. However, the immediate, concrete aspects of doing business were the main concern of the tourist industry mission members. Among their major findings were these:

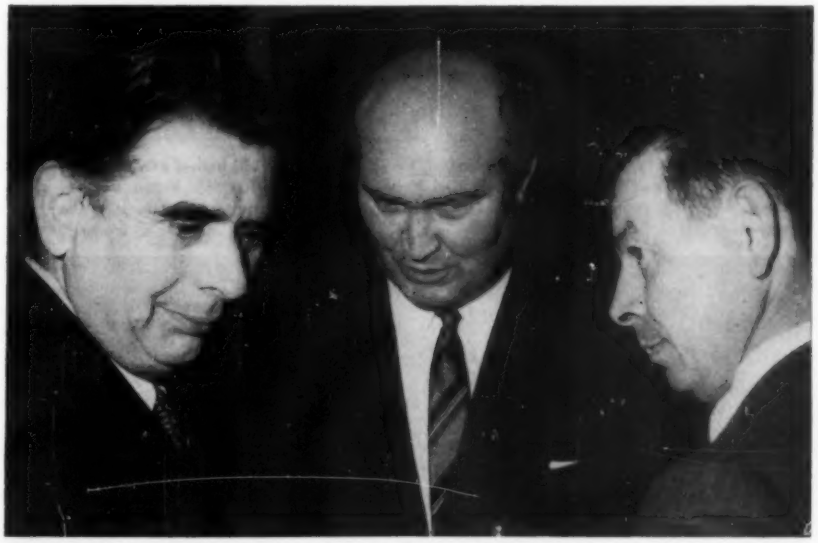
► There is a solid appreciation in Yugoslavia of the excellence of American-made, American-designed products, and a willingness to spend a little more (up to 10%, said one mission member) for them.

► U.S. companies face strong competition in Yugoslavia from Western Europe, particularly from Germany and Italy.

► The Yugoslav enterprise officials seek to be treated in a straightforward business manner. They insist that they have full capability to make purchasing decisions, and that these decisions are being made on the same kind of profit basis that Americans understand.

► U.S. business visitors must be prepared for repeated local comment that trade is a two-way affair—"Yes, we want American equipment, and we will find ways to buy it, but you must buy from us, too."

► Yugoslav businessmen are eager to press for joint ventures with Americans under a 1967 liberalized investment law



LEADING CROATIAN TRADE OFFICIAL Ivan Bukovic (left) was the mission's host in Zagreb. He is President of the Croatian Chamber of Economy, and President of the Economic Chamber of the Assembly of the Croatian Republic. Bukovic traveled to the U.S. during November for consultations with firms in California, Texas, Illinois, Michigan and New York. He talks with mission director Zens (right) and Dr. Branko Stancl.

REGIONAL TOURISM PLANNING was the subject as J. Henry Barbour (right) of Leo Kramer, Inc., met with a developer. William G. Crisp, U.S. Vice Consul in Zagreb is at center, with interpreter Ivana Paskvan.

LAUNDRY MACHINERY specifications are examined by Egon Eckmayer (left, above) of American Laundry Machinery Industries with Yugoslav representatives Herman Pohoryles and Kadrija Vidjen, and interpreter Slobodan Drenovac. At left, below, is Thomas P. H. Dunlop, U.S. Consul in Zagreb, with George S. Denkowski (right) of General Tire, talking to Milivoj Gasparovic of the Split Chamber of Economy.

that permits foreigners to acquire up to 49% interest in their enterprises. So far these has been little activity with U.S. venturers under these regulations. Tourist industry managers were quick to point out to mission members the relative ease of repatriation of profits from their enterprises, which have the widest access to hard currencies.

► U.S. marketers will encounter criticism of the "one-shot" approach of some American companies that, the Yugoslavs say, made important sales in their market and then retreated out of range when follow-up activity was required. U.S. companies that seek to establish a successful presence in Yugoslavia must be ready to make service and spare parts quickly available to their customers there.

Search for agents

A major preoccupation of the mission members was the search for new or improved agent-distributor connections. Multiple representation in Yugoslavia—with different agents having responsibility for the various regions—is not now possible under Yugoslav regulations, and this was felt by some mission members to be a handicap to an aggressive U.S. firm's effective backup sales and service program in the country.

The members agreed that this circumstance underscored the importance of locating an agent with a strong sales network across the country. The members also noted with equal interest that companies with multiple product lines have the opportunity to seek separate agents for each of their lines.

The question of continuing to maintain a productive relationship with a Yugoslav representative was also considered to be of prime importance. These suggested practices emerged from mission discussions:

► Frequent visits by various U.S. company officials with their Yugoslav representatives.

► Intensive training programs at parent company headquarters or plants for new representatives.

► Opportunities for business-plus-holiday travel abroad by Yugoslav representatives, including attendance at sales meetings or conventions.

► Other incentive provisions, such as use of a company automobile.

The agent-distributor search was among the subjects discussed by the mission with G. William Whitman, the U.S. Commercial Attache in Yugoslavia, who traveled from Belgrade to Zagreb and later to Split to join the group. Whitman pointed out that about 200 U.S. companies have already set up agent-distributor links in

Yugoslavia. Just as elsewhere, American experience with such representatives has not been uniform, he noted. He offered to the mission members—and to all U.S. firms interested in the Yugoslav market—the assistance of the American Embassy's commercial section in the matter of locating effective agents.

Reviewing the accounts of the mission at its close, Whitman commented: "After listening to the success stories of the members of the mission I am convinced that Yugoslavia offers a first-rate market to U.S. companies in the tourism equipment field. Frankly, as successful as this mission has been, I think we have only begun to dig into this promising market. Once again it has been brought home to us that the Yugoslav tourist industry with its need for the most modern and efficient equipment and techniques, recognizes the superiority of American equipment and services. Therefore, Americans approaching this market will find, a warm, interested, profitable response, as has been abundantly proven in this venture.

"This has been my first experience with this new specialized kind of trade mission. I believe this approach is ideally suited to Yugoslav market conditions. I look forward to subsequent missions of this type; certainly, the tourist industry here merits further U.S. market promotion efforts."

The individuals that made up the mission each added some personal observations that rounded out the group's report.

J. Henry Barbour of the Washington consulting firm of Leo Kramer, Inc., declared that he found a "real need for consulting services" in Yugoslavia, and this need is pointed more toward the highly diversified consulting firm rather than the specialized company. He learned that potential Yugoslav clients for consulting studies wish to tie this service to some kind of financial assistance.

"It will take years for Yugoslavia to realize the importance of manpower consulting, but this will develop as the country becomes more capital-oriented and sales-oriented. It will be necessary as the Yugoslavs see the importance of efficiency in order to be able to compete. The consultant's time will come, but by then, we should also realize, there will be increased European competition."

Dan V. Azzaro, who with Roy Bond represented the International Export Division of the American Standard Co. in offering bathroom installations, airconditioning and boilers to the Yugoslavs, commented that he was "definitely impressed by the business-like attitude of the hotel executives, contractors, architects and manufacturers we have met and by their willingness to trade with U.S. companies." Azzaro concluded that there was a great potential for the sale of American Standard products, and underscored the importance of finding top-notch local representation for his company.

Barter deals suggested

Egon Eckmayer of American Laundry Machinery Industries division of McGraw-Edison Co., turned to the subject of barter deals in one of his reports. He found that some customers interested in buying his commercial and industrial laundry and drycleaning equipment were introducing possible barter transactions.

"It would take a long dissertation to describe all the aspects these barter deals could encompass," he noted, and then said that for his company they would form a major trading obstacle.

But Eckmayer also reported great interest in laundry machinery for institutions like hotels and hospitals, and he observed: "The Yugoslavs are very much impressed by our advanced technology and are even willing to pay a modest—say 10%—premium for our technically more modern machines."

Paolo Zamperini, representing the International Division of Honeywell, Inc., saw a lively market for temperature controls and other devices for automation of building security and maintenance. He noted the wide range of specific project information obtained through the mission consultations. He commented that some Yugoslav purchasers, while pointing out to him the advantages of buying equipment produced in nearby countries, were still "open-minded" and willing to consider the offsetting advantages offered by his company's products.

Zamperini also noted the value of the extended discussion he and other mission members had with prize-winning architect Boris Magas, out of which, he said, emerged "a fairly complete and realistic picture of the Yugoslav building construction market."

George S. Denkowski of the Bolta Products division of General Tire & Rubber Co. concluded that "there seems to be a genuine interest in our polyvinyl-chloride coated fabrics (leathercloth) coming from the States. General is apparently the first major American concern offering these materials in Yugoslavia. Europeans are already supplying leathercloth such as wall coverings and upholstery materials to Yugoslav customers.

"In discussions with professionals from construction firms, architectural and design establishments, distributors, etc., it appears that they are aware that our product may be of better quality and certainly introduce novelties in design for some applications not attainable in competitors' materials. For example, the wall covering material designs suggested applications to them for which we have been seeking users in the States. They were also willing to direct their distributors to use our quality of materials.

"Of great interest, certainly, was General's rug underlay materials, not known to them at all. I was approached with proposals on joint ventures, licensing, distributorships, etc. . . . We did understand each other's positions. Our contacts were elated that the mission was organized, with its indication that the U.S. is serious about doing business here."

HOTEL INSTALLATIONS including airconditioning systems and bathroom fixtures were offered to Yugoslavs by Roy Bond (right) of American Standard.

Tourist equipment show

An international exhibition of tourist, catering and store equipment is being scheduled as one of seven specialized events at the Zagreb International Spring Fair next April 18-26.

The Zagreb fair management issued a special invitation to the U.S. Specialized Tourist Industry Trade Mission members and to other U.S. firms to participate in the show, which is called TU-EX. Sports and recreation equipment, tourist transport, equipment for all elements of hotels and restaurants, and furnishings for stores are eligible for display.

Applications for participation, which have a December deadline, are to be sent to the Director, Zagrebacki Velesajam, Zagreb, Yugoslavia.

U.S. firms invited to participate in auto maintenance, servicing equipment mission to Germany

Group now being formed to promote sales in Hamburg, Munich, Duesseldorf, Frankfurt next spring limited to ten members

U.S. suppliers of automotive maintenance and servicing equipment are invited to participate in a specialized, or vertical, trade mission scheduled by the Commerce Department to go to Germany next spring. A specialized trade mission consists of experts within a narrow range of related products or services.

Product and service possibilities within the scope of the planned mission would include: diagnostic centers; driver testing and training equipment; self-service car-washing stations; hot-rod equipment; auto cranes; wheel-balancing equipment; tire servicing including equipment for installing studs for snow tires, and white wall cleaning equipment; specialty tools; accessories; brake-service-adjustment equipment; lifts; paint and paint-spraying equipment; body-repair and frame-alignment equipment.

The group will travel to Hamburg, Duesseldorf, Frankfurt, and Munich, Apr. 4-14. Business appointments will be made in each city for each member. Through such meetings, the mission participant will have the opportunity to select an agent or distributor, consider a joint-venture arrangement, offer a license to manufacture, or make a direct sale.

The group now being formed—the second recent specialized mission to focus on automotive maintenance and servicing equipment—will be limited to ten companies. Executives of interested business firms are urged to apply at once.

Government pays some costs

As with all specialized groups under Commerce's trade missions program, operating costs will be paid for by the Department. Such activities as printing and distributing a brochure on the mission members and their company affiliations, products, and business interests, distribution of company catalogs or product literature, and providing an advance officer and secretarial help and interpreters are included.

Each member will provide his own personal and travel expenses, and deposit a small sum in a cash reserve for such activities as mission receptions for prospective customers during the business tour.

The U.S. Embassy in Bonn and Consulates General in Hamburg, Duesseldorf, Frankfurt, and Munich consider the mission an "excellent" proposal. Among factors conducive to the favorable market potential are: increasing auto registrations, stringent required periodic inspections, shortage of skilled labor, premium on labor-saving equipment, need for more efficient replacement equipment, and installation of modern equipment by small shops. Some 17,300 auto repair shops, 1,100 auto electrical shops, 2,000 body repair shops, and 14,000 filling stations are operating throughout the country.

Modern equipment is well known to German shops and is being used. Sales could be stimulated, it is believed, by additional competition.

Earlier this year

The first automotive maintenance and servicing equipment mission, to Denmark, Sweden, and Finland in the spring of this year, reported excellent immediate results: On-the-spot sales, $511,000; orders expected during the next 12 months, $105,000; agents appointed, four.

Other specialized missions this year have gone to Germany and the United Kingdom, promoting electronic data processing; France, restaurant and cafeteria equipment; Yugoslavia, tourism (see report in this issue, pages 2-5); and Japan, special services.

Companies wishing to participate in the selling tour to Germany are urged to **write:** Trade Missions Division, BIC-926, U.S. Department of Commerce, Washington, D.C. 20230; or call 202-967-4227.

Visitors to Japan's EXPO 70 urged to reserve lodging

Representatives of U.S. companies expecting to visit EXPO 70 in Osaka next Mar. 15-Sept. 13 are urged to obtain confirmed hotel reservations directly with the hotel involved, or a transportation company, or reputable travel agent.

Visitors to Japan without confirmed reservations will have little or no chance of obtaining accommodations during the March-September period, according to U.S. Commercial Officers there. Advance deposits are required to support reservations.

Individuals wishing further information on accommodations in Japan, including lodging in private homes and inns, may **write:** EXPO Lodging Information Center, Japan Association for the 1970 World Exposition, 101, EXPO 70, Suita, Osaka 539, Japan. Telephone: EXPO, T/T Office (06) 876-2681. Cable address: EXPO-SEVENTY OSAKA.

Mission to sell pumps in Italy next spring

Executives of U.S. firms manufacturing pumps, compressors, valves, and fluid power equipment, and of firms acting as agents or export managers handling such products, are invited to participate in a Commerce Department specialized trade mission to Italy next spring.

The mission, originally announced (see *International Commerce*, Aug. 4) for this fall, has been rescheduled and is now being planned for Milan, Turin, Bologna, and Rome March 2-14.

Deadline for application to participate is Dec. 19. **Write** immediately: Trade Missions Division, BIC-926, U.S. Department of Commerce, Washington, D.C. 20230; or telephone collect: 202-967-2356.

Italian government and private investment projects have been announced in plant modernization, public works, sanitary facilities and development of water resources. Expansion of the chemical, iron, and steel industries is anticipated.

Italian imports of pumps and centrifuges totaled about $87.2 million last year, compared with $72.6 million in 1967. The United States supplied some $13.5 million worth in 1968, compared with $12.2 million worth a year earlier.

U.S. backs LDC tariff aid

President Nixon to press for preferences to assist developing countries

By FRED L. MONTGOMERY
Office of Commercial and Financial Policy, BIC

President Nixon has announced his decision to press in world trade forums "for a liberal system of generalized tariff preferences for all developing countries, including Latin America." This announcement is an important step in the movement for generalized tariff preferences for less-developed countries (LDCs), and could result in a modification of the most-favored-nation policy that this country and its major trading partners have traditionally followed.

Background of problem

The decade of the sixties has witnessed an increasing awareness of LDC problems, one of the more important of which concerns their participation in world trade. The trade picture in many less-developed countries is characterized by dependence on a few raw materials for the export earnings they need in order to purchase capital equipment and manufactured goods from the developed countries. While the volume and value of goods exported by the LDCs have continued to increase, the prices of imported equipment and manufactures needed for economic development have increased at a faster pace. And it has usually not been possible to fill this gap through foreign aid and private investment.

Faced with this situation, the LDCs have naturally looked for other means to meet their foreign exchange requirements. One of these has been to increase and diversify their exports by working for the reduction of import barriers in the developed countries.

More specifically, the developing countries have sought to reduce quantitative restrictions applying to their exports. They have also worked for the reduction of general tariff levels, and the Kennedy Round of international trade negotiations was a significant step in this direction. Their strongest interest, however, has been in obtaining access to developed country markets on a preferential basis, particularly for manufactures and semi-manufactures, in the hope that such access will attract and further the development of indigenous industries.

The possibility of adopting a generalized scheme of preferences has been under intensive international discussion and debate for several years, and in various forums, primarily the General Agreement on Tariffs and Trade (GATT), the United Nations Conference on Trade and Development (UNCTAD) and the Organization for Economic Cooperation and Development (OECD). These discussions finally resulted in the adoption, at the Second UNCTAD Conference, of a 1968 resolution recognizing the "unanimous agreement in favor of the early establishment of a mutually acceptable system of generalized non-reciprocal and non-discriminatory preferences which would be beneficial to the developing countries."

The resolution also stated that the aim was "to settle the details of the arrangements in the course of 1969" and noted "the hope expressed by many countries that the arrangements should enter into effect in early 1970." In addition, the resolution called for the establishment of a Special Committee on Preferences to enable the various countries concerned to participate in consultations.

In view of the actions taken at the Second UNCTAD Conference, the OECD Trade Committee in July of 1968 created a Working Group on Preferences to begin discussion of possible forms of generalized preference arrangements. In October, the Trade Committee agreed that, in order to put the discussions on a more pragmatic basis, potential donor countries should submit illustrative preference proposals, including lists of products which would be covered by the scheme.

Presidential decision

When the Nixon Administration came into office the following January, it decided on a complete review of U.S. policy in the trade field. The President subsequently authorized preparation of an illustrative U.S. proposal on preferences which was submitted to the OECD at the end of July. This was done, however, without any commitment regarding eventual U.S. participation in a generalized preference scheme. The final decision on participation was to remain open pending completion of an internal study of the potential costs and benefits of a preference scheme.

A National Security Council (NSC) study was subsequently undertaken and a report was submitted to the White House in early October. The President's decision, announced Oct. 31 in an address to the Inter-American Press Association, was in favor of U.S. participation in a system of tariff preferences for developing countries, subject to Congressional approval. Such a system, he said, should be liberal and should confer the maximum range of benefits on the developing countries. Moreover, all the major developed countries must participate in the system and do their fair share.

Following this decision, the U.S. submitted a firm proposal to the OECD containing the following elements:

- ► Preferential duties to be set at zero.
- ► Preferences to be granted on manufactured and semi-manufactured products in BTN Chapters 25-99, excepting only textiles, shoes, and petroleum and petroleum products. Preferences also to be granted on a selective list of agricultural and fishery products.
- ► A simple scheme, without ceilings on preferential imports, which would rely on the standard escape clause and adjustment assistance as safeguards for domestic industry.
- ► A temporary scheme, that is, one lasting not more than ten years, which would not constitute a binding commitment and would not impede future tariff reductions on a most-favored-nation basis.
- ► A common scheme to be adopted by all major developed countries.
- ► Developing countries which receive special preferences in developed country markets for products covered by the scheme would be excluded from preferences.
- ► Developing countries which grant reverse preferences to developed countries would be excluded from preferences.
- ► While the U.S. has reached no judgment regarding beneficiary countries, in general preferences are to be granted to all developing countries.

Four principles emerge

From these elements four basic principles emerge. First is liberality. It is important that the developed countries do something on preferences that will provide a significant stimulus to trade and production in the less developed countries and will not simply be a gesture.

Second is commonality. The previous international discussions have all expressed the intention to develop a common system of preferences. A common system would minimize distortions in production and trade, and would be the best way to en-

THE UNITED STATES HAS OFFICIALLY ENDORSED tariff preferences for the products of all developing countries. Above, rubber bales are loaded aboard ship at the Malaysian port of Butterworth.

sure that all donor countries do their fair share.

Third is non-discrimination. The logical consequence of this is the elimination of the special and reverse preferences which now exist between certain developed and less-developed countries. The elimination of special preferences is important to Latin America and all the LDCs which do not now enjoy them.

Fourth is non-reciprocity. The basic principle here is that the developed countries should not seek any tariff concessions in return from the LDC's.

In recent weeks the OECD Working Group has been examining the submissions of the various prospective donor countries and drawing up a report indicating the progress made on generalized preferences. The new U.S. proposal reflecting the President's decision was submitted Nov. 3 and was included in the Group's report. This report was subsequently approved by the OECD Trade Committee and Council and in accordance with a previously agreed timetable was transmitted to the UNCTAD Secretariat on Nov. 14.

At the same time, the report and its annexes containing the individual country submissions were released to the press. The report will now be circulated to the member countries in UNCTAD and will serve as the basis for further discussions in that forum and in the OECD.

As indicated in the OECD report, there are 18 countries which envisage taking part as donors in the generalized system of preferences: Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States. The member states of the European Economic Community, represented by the EEC Commission, put forward a joint submission, as did the four Nordic countries.

Different approaches

Although each country's submission varies somewhat from the others there are certain common elements which each proposal covers and with respect to which there are varying degrees of agreement. These elements fall under such headings as: beneficiaries, product coverage, depth of tariff cut, exceptions, safeguard mechanisms, duration, rules of origin, institutional arrangements and actions by developed countries with centrally planned economies and by developing countries.

The key element distinguishing the schemes now on the table is the safeguard mechanism. One group of countries (the Nordics, United Kingdom and United States) favors reliance on some sort of escape clause as a safeguard mechanism for dealing with injury to domestic industry resulting from preferential imports. The other group of countries (Austria, EEC and Japan) envisage the use of quantitative (tariff quota) limitations on the level of preferential imports.

Although there is still lack of agreement concerning certain other elements such as length of exception lists and depth of cut, the key to any future agreement on a common scheme of preferences will almost certainly be the question of a safeguard mechanism.

Public, congressional consultations

Any scheme that is negotiated among the donor countries will remain subject to approval by the Congress. Accordingly, consultations have been held with certain key members of Congress in connection with the preparation of the submissions that the United States has made to the OECD. The Administration also considered the views of business, agricultural and labor groups as recorded in public statements and in testimony given before the Trade Information Committee in April/May 1968 and the Ways and Means Committee in June/July 1968.

In addition, at such time as legislation may be introduced to implement any preference scheme, the usual Congressional hearings will provide further opportunity for the views of interested groups to be considered.

Scope for preferences

Assuming that a common scheme can be negotiated, what is the possible scope in trade terms for preferences? The answer to this question will ultimately depend on the kind of scheme which is negotiated and specifically the extent of the exceptions which are made. In overall terms, however, U.S. imports in 1967 of manufactured and semi-manufactured products from LDCs were $3.6 billion, or 17% of total imports of these products from all sources. Of this, $2.7 billion was in dutiable goods. This latter figure would be significantly reduced by the value of the products subject to exception from the scheme, but would also be increased by whatever new trade might be generated as the result of preferential access.

Outlook for the future

At the present time a major effort is being made by the United States to gain the support of both developed and developing countries for the liberal scheme it is now proposing. This activity is being carried out in foreign capitals and international trade forums. It is too soon to predict whether and when agreement will be reached among the prospective donor countries on a mutually acceptable scheme of generalized preferences.

If agreement is not reached on such a scheme, the United States will be prepared to consider the question of special U.S. preferences for Latin America. In releasing Gov. Rockefeller's report on Latin America on Nov. 10, President Nixon issued a statement to the press indicating that "if for any reason we find it is not possible to establish a satisfactory system of generalized preferences within a reasonable time, then the United States will be prepared to consider other alternative actions it can take to assure that the American nations will have preferential access to the U.S. market."

As of this time, however, the United States and most Latin American nations continue to favor a generalized scheme rather than a U.S. preferential scheme for Latin America.

Introduction of new trade bill highlighted November activities affecting international commerce

Month saw talks with Japan produce promise of trade easing; quota bills introduced, Tariff Commission findings reported

November brought an interesting array of noteworthy developments affecting foreign trade, featured by introduction of the Administration's trade bill.

The month also included: talks in Washington between President Nixon and Prime Minister Sato (leading to a communique which included an announcement of Japan's intention to liberalize import restrictions); issuance of the first Executive Order to carry out a bilateral agreement on certain meat exported to the United States; announcement of subsidies on exports of chicken to Greece; the first findings of import-caused injury under the adjustment assistance provisions of the Trade Expansion Act of 1962; and a rare finding of unfair import competition which has the effect or tendency to destroy or substantially injure an efficiently and economically operated industry in the United States.

The President: Trade Bill—On Nov. 18, the President transmitted to Congress the proposed Trade Act of 1969 accompanied by a message outlining trade policy objectives of the Administration. The bill, introduced as H.R. 14870 by Representatives Wilbur D. Mills of Arkansas and John W. Byrnes of Wisconsin, was referred to the Ways and Means Committee. (The major provisions of the bill were summarized in an article which appeared in the Dec. 1 issue of INTERNATIONAL COMMERCE).

The President: Talks with Prime Minister Sato (Liberalization of Japanese Trade Restrictions)—Following talks between the President and Japanese Prime Minister Sato held in Washington, Nov. 19-21, a joint communique was issued, stating (among other things) that "The Prime Minister indicated the intention of the Japanese Government to accelerate rapidly the reduction of Japan's trade and capital restrictions. Specifically, he stated the intention of the Japanese Government to remove residual import quota restrictions over a broad range of products by the end of 1971 and to make maximum efforts to accelerate the liberalization of the remaining items. He added that the Japanese Government intends to make periodic reviews of its liberalization program with a view to implementing trade liberalization at a more accelerated pace . . ." (For more detailed coverage, see INTERNATIONAL COMMERCE, Dec. 1, p. 10).

The President: Executive Order (Meat Imports from Honduras)—On Nov. 21, the President issued an Executive Order controlling the importation of certain meats from Honduras for the remainder of the calendar year. The action was taken pursuant to an agreement negotiated with Honduras under section 204 of the Agricultural Act of 1956, in which the Government of Honduras agreed to limit exports of meat from that country and imports into the United States to 14.1 million pounds for 1969. Imports from Honduras have already exceeded that amount. The meats involved are fresh, chilled, or frozen beef, veal, goat, and mutton. The application of section 204 controls in this case does not preclude Honduran exports of the controlled meat products from being placed in bond in the United States for entry in 1970 as part of its 1970 limit. The Meat Import Act of 1964 provides a mechanism to trigger quotas when imports of these meats from all countries reach a specified level in relation to domestic commercial production.

The Congress: In addition to the Administration's trade bill, 28 new tariff and trade bills were introduced in the House and one was introduced in the Senate. Of the House bills, 23 were additional proposals for various kinds of import quotas, including broad orderly marketing arrangements. Construction materials, meat, mink and bicycles were the products for which specific quota bills were introduced. All of these quota bills were identical to legislation previously introduced. The number of quota bills introduced during the session is now nearly 350, and the total of tariff and trade bills of all types numbers about 555.

H.R. 14658, introduced by Representative Wilbur D. Mills of Arkansas, would amend section 204 of the Agricultural Act of 1956 which provides authority for the President to negotiate with representatives of foreign countries to obtain agreements limiting their exports to the United States of any agricultural commodity or product made therefrom, including textiles and textile products. As amended in 1962, section 204 also provides authority for the President to issue regulations governing the imports of these products from non-member countries in the case of multilateral agreements covering a significant part of world trade in, or U.S. imports of, these products. The amendment proposed in H.R. 14658 would make the President's authority applicable to bilateral as well as multilateral agreements.

Other House bills introduced during the month dealt with a variety of foreign trade subjects. H.R. 14720, sponsored by Rep. Herman T. Schneebeli of Pennsylvania, would extend until June 30, 1973 the existing temporary duty suspension on manganese ore. H.R. 14844, introduced by Rep. Edwin W. Edwards of Louisiana, would eliminate the duty on repairs made abroad on shrimp boats. H.R. 14975, introduced by Rep. James A. McClure of Idaho, would amend the Tariff Act of 1930 to provide for the refund of certain postal fees charged with respect to merchandise imported in the mails. H.R. 14995, introduced by Rep. Charles M. Teague of California, would provide for the free entry of a carillon for use at the University of California at Santa Barbara.

The single bill on tariffs and trade introduced in the Senate during the month was S. 3142. Introduced by Sen. Warren G. Magnuson of Washington at the request of the Secretary of Transportation, the bill would permit common carriers engaged in the domestic, international and foreign segments of international transportation to enter into agreements to establish joint rates, issue single bills of lading for through movements, and interchange or pool equipment and facilities. Agreements would be subject to approval by the regulatory agency having jurisdiction over the carrier.

Floor actions on foreign trade matters were taken during the month by both Houses. The Senate passed, with amendments, H.R. 11363, the bill to prevent interstate commerce in and importation of species of fish and wildlife which are in danger of becoming extinct. The bill was then returned to the House and was ap-

proved, thus clearing the legislation for the President's signature.

House and Senate conferees met during the month to reconcile the differences in the Export Control Acts passed by each House in October (see INTERNATIONAL COMMERCE, Nov. 10). The conferees accepted the principal provisions of the Senate bill, and their report was subsequently agreed to by the Senate.

Also during the month the State Department Organization and Foreign Operations Subcommittee of the House Foreign Affairs Committee favorably reported S.J. Res. 90, which would enable the United States to organize and hold a diplomatic conference to negotiate an International Patent Cooperation Treaty.

Tariff Commission: Adjustment Assistance Findings—On Nov. 3, the Tariff Commission announced the first affirmative rulings ever made on adjustment assistance cases since the Trade Expansion Act was passed in 1962. The Tariff Commission found by a vote of 5-1 that increased imports of welded pipe in one case and transmission towers in two others were the major factors in causing unemployment or underemployment of certain steel workers at two U.S. Steel Corp. plants and one Armco Steel Corp. plant. The Commission further found that the increased imports resulted in major part from concessions granted under trade agreements. Upon certification by the President of eligibility to apply for adjustment assistance, the workers may apply to the Secretary of Labor for the assistance provided in the Trade Expansion Act (readjustment payments, training, and relocation allowances.)

The affirmative findings as to the major cause of increased imports were based primarily on the view that but for the tariff concessions granted since 1934, the price advantage enjoyed by imports would not have been so great and imports would not have reached their present level. The dissenting view held that no duty reductions had been made in recent years and, thus, the causality between duty reductions and increased imports could not be established.

Prior to these findings, the Commission had ruled negatively on seven petitions by groups of workers for adjustment assistance because they had not met all the criteria prescribed by the Trade Expansion Act. Eight petitions by firms also have resulted in negative determinations.

Copies of the Commission's public reports may be obtained from the Secretary, U.S. Tariff Commission, 8th and E Sts., NW., Washington, D.C. 20436.

Tariff Commission: Unfair Imports (Furazolidone)—The Tariff Commission on Nov. 13 announced a finding that unfair methods of competition in the importation of furazolidone products have the effect or tendency to destroy or substantially injure an industry, efficiently and economically operated, in the United States. Furazolidone is a patented drug used principally in the prevention and treatment of certain diseases in poultry. The investigation was initiated in March 1968 at the request of Norwich Pharmacal Co. (now Morton-Norwich Products, Inc.) which alleged patent infringement and other unfair acts. The Commission reached its determination by a 4-1 vote.

The importers concerned have until Jan. 12 to appeal the Commission's findings to the Court of Customs and Patent Appeals. If there is no rehearing and no appeal, the Commission will transmit its findings to the President with the recommendation that he order the exclusion of furazolidone and furazolidone products from entry into the United States through Apr. 7, 1973, the date of the expiration of the complainant's patent. Imports of furazolidone have been excluded from the United States since Aug. 28, 1968 following a preliminary finding by the Commission.

Of the 30 previous investigations of alleged unfair practices conducted by the Tariff Commission since 1948, only three have been referred to the President. One of those was subsequently recalled and dismissed, one was rejected by the President, and one, involving an evenly divided vote in the Commission, resulted in a Presidential determination of no injury.

Tariff Commission: Dumping-Injury Determination (Potash)—On Nov. 21, the Tariff Commission announced the results of three investigations under the Antidumping Act involving imports of potassium chloride (muriate of potash) from Canada, France, and West Germany. The Commission determined by a vote of 4 to 2 that the less-than-fair value imports of potassium chloride from the three countries were causing injury to an industry in the United States. As a result of the determinations, such imports will become subject to special dumping duties.

Tariff Commission: Investigation of Tariff Items 806.30 and 807.00—The Tariff Commission has announced that the Jan. 31 deadline set for its report to the President on the use of tariff items 806.30 and 807.00 has been extended to Aug. 31, 1970. The two tariff items provide that, for the purpose of assessing duties, the value of the American components shall be deducted from the total dutiable value of certain articles assembled or processed abroad (see monthly report, INTERNATIONAL COMMERCE, Sept. 15).

In view of this extension, the public hearings originally scheduled to begin on Nov. 18 have been moved to May 5, 1970. Interested parties desiring to appear should notify the Secretary of the Commission, in writing, on or before Apr. 24. Written statements in lieu of appearance should be submitted not later than May 12.

Tariff Commission: Carpets and Rugs; Flat Glass—In a report released on Nov. 20, the Tariff Commission advised the President that U.S. producers in the aggregate would be little affected by termination of the escape clause rate of duty on Wilton and velvet carpets and rugs.

Unless extended by the President, the escape clause rate of 40% ad valorem will expire on Dec. 31, and the trade agreement rate of 21% ad valorem will be restored.

The escape clause rate was imposed in 1962 following a Tariff Commission finding that the industry was being injured by imports. It was originally scheduled to expire on Oct. 11, 1967, but was extended until Dec. 31, 1969 by Presidential proclamation.

Commission findings on two related investigations with respect to the termination of the escape clause rates of duty on certain flat glass imports and a petition by the U.S. flat glass industry for relief from increased imports were not available at the time of printing. (See earlier reports, INTERNATIONAL COMMERCE issues of Apr. 7, July 14, Aug. 11, Sept. 15 and Nov. 10.)

Tariff Commission: Coffee Concentrates—On Nov. 13 the Tariff Commission terminated without findings and without prejudice to the complainant its investigation of a complaint alleging unfair methods of competition and unfair acts in the importation and sale of certain coffee concentrates. The complaint was lodged on the basis of patents owned by Struthers Scientific and International Corp. of Warren, Pennsylvania. The firm's request for continuance of the hearings scheduled to begin on Dec. 2 was also denied.

The Commission noted that two previous continuances had been granted upon motion of the complainant, that the complainant was again not prepared to proceed and that further uncertainty was introduced by the complainant's desire to introduce undefined additional issues which would enlarge the scope of the investigation. (See earlier reports, INTERNATIONAL COMMERCE issues of Aug. 11 and Oct. 13.)

Treasury Department: Dumping Deci-

sions (Glycine, Steel Bars, Barbers' Chairs, Tetracycline Products, Pig Iron)—The Treasury Department announced four decisions with respect to investigations of alleged dumping under the Antidumping Act of 1921. Affirmative findings of dumping were made in two cases, and both have been referred to the Tariff Commission, which must make a finding as to whether the dumped imports are causing or threatening injury to domestic industry.

A public hearing is scheduled for January 6, 1970 in the case concerning aminoacetic acid (glycine) from France. Parties desiring to testify at the hearing should notify the Secretary of the Tariff Commission, Washington, D.C. by Dec. 31. Imports of glycine from France were valued at about $98,000 between Mar. 1, 1968 and Aug. 31, 1969.

An affirmative finding was also made in the case of steel bars, reinforcing bars and shapes manufactured by the Broken Hill Proprietary Co., Ltd., Melbourne, Australia. Imports of these items from Australia during the period May 1968 through May 1969 were about $5.4 million. There have been no imports since that time. A public hearing is scheduled for Jan. 20.

In the other two cases, final determinations, both negative, were made with respect to barbers' chairs imported from Japan and tetracycline products manufactured by Carlos Erba, S.p.A., Milan, Italy.

In a fifth case, a tentative determination, also negative, was made in the case of pig iron imported from Brazil, Sweden, and the United Kingdom. Information gathered during the latter investigation showed that sales to the United States were terminated, and there is no indication that shipments will resume in the near future.

Special Trade Representative: Stainless Steel Flatware, Light Aircraft, Pet Food—The Office of the Special Representative for Trade Negotiations, in a notice published in the Federal Register on Nov. 8, requested the written views of interested parties on the possible modification of trade agreement concession on stainless steel table flatware, light aircraft (less than 10,000 pounds empty weight), and canned fish and whale meat used for pet food.

Article 28 of the General Agreement on Tariffs and Trade was invoked by the United States with respect to these items on Sept. 30. Under provisions of that Article, the United States maintains until the end of the year the option to notify the Contracting Parties of the GATT of its intention to modify tariff levels on these items which had been agreed upon in past negotiations (see monthly report, INTERNATIONAL COMMERCE, Oct. 13.)

Commerce Department: Office of Foreign Direct Investments, 1969 General Bulletin—The Office of Foreign Direct Investments (OFDI) has issued its 1969 General Bulletin which interprets and analyzes the foreign direct investment regulations for 1969. The purpose of the Bulletin is to explain the principal provisions of the current regulations. As the Bulletin is primarily interpretive, and any changes in the OFDI regulations contained therein are of a liberalizing nature, the Bulletin is not being published in a proposed form for public comment. (For further information, see *Federal Register*, Vol. 34, No. 213. Nov. 5, 1969. pp. 17806-17868.)

Office of Foreign Assets Control: Nickel-Bearing Material—The Office of Foreign Assets Control (FAC) on Nov. 7 announced that nickel alloys and nickel waste and scrap, nickel oxides, nickel formate, nickel sulfate, and other nickel salts imported directly or indirectly from Czechoslovakia will be detained by Customs until release is authorized by the FAC as provided for under the provisions of the Cuban Assets Control Regulations. The action is necessary to enable the FAC to determine if these nickel products were produced in Czechoslovakia from nickel of Cuban origin and are thus ineligible for importation.

Department of Agriculture: Export Payments, Poultry—The Department of Agriculture announced on Nov. 28 that export payments will be made on U.S. whole chickens exported to Greece. The action was taken after the U.S. share of the total Greek import market for chicken meat dropped from 53% during 1960-64 to 7% in 1968. The decrease, which has continued this year, is the result of subsidized competition from the European Common Market.

Export payments for poultry to Switzerland were resumed in April 1968 after the U.S. share of that market had fallen from 67% in 1960-61 to 3% in 1967. Export subsidies increased that share to 33% in the first nine months of this year.

Asst. Secretary of Agriculture Clarence D. Palmby stated that "we regret the necessity to extend our program to a second market. Despite this extension, we are prepared to end subsidization just as soon as other countries are prepared to do so."

Export payments will be made on frozen ready-to-cook broilers and roasters with or without giblets, meeting U.S. Grade A standards for export to Switzerland and U.S. Grade B or better for shipment to Greece. Offers will be solicited every week until further notice. Offers and inquiries should be addressed to the Poultry Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Department of Agriculture: Meat—On Nov. 14, the Department of Agriculture announced increases in voluntary restraint levels for the rest of the year among supplying countries limiting their shipments of meat subject to the Meat Import Act (P.L. 88-482). The increases, in terms of millions of pounds, were as follows: Australia, 14.8; New Zealand, 6.4; Mexico, 2.0; Ireland, 1.8; Nicaragua, 0.85; Guatemala, 0.48; Costa Rica, 0.76; Dominican Republic, 0.24; Panama, 0.12; Haiti, 0.05.

Department of Agriculture: Import Regulations, Tomatoes—The Department of Agriculture on Nov. 5 announced grade, size, quality and maturity requirements for tomatoes imported during the period Nov. 15, 1969 through July 31, 1970. The requirements are identical to those applicable to shipments of tomatoes grown in Florida and apply to all fresh tomatoes, except pear-shaped, cherry, hydroponic, and greenhouse tomatoes. (For exact specifications, see *Federal Register*, Vol 34, No. 216. Nov. 8. pp. 18091-2).

U.S. Supreme Court: Wool Products Labeling—The Supreme Court on Nov. 10 denied petitions submitted by the Solicitor General of the Justice Department and by the National Knitted Outerwear Association for review of the U.S. District Court of Appeals decision on the Federal Trade Commission's proposed Rule 36. This Rule, which aimed at assuring that imported wool products comply with the Wool Products Labeling Act of 1939 as to labeling of fiber content, would have given the FTC authority to detain shipments of wool products at ports of entry for laboratory testing of fiber content on imports suspected of being misbranded. The Court of Appeals, in reversing a 1968 U.S. District Court decision, held that the regulations were not authorized by the Wool Products Labeling Act and that the procedures were alien to the normal FTC cease and desist practice. (See monthly report, INTERNATIONAL COMMERCE, issues of Apr. 7 and July 14).

State of California: Buy-American Act—The California Supreme Court on Nov. 12 refused to review a September ruling of the Court of Appeals that the State's Buy-American Act is unconstitutional. The Court of Appeals has upheld a lower court decision refusing injunctions sought by the Bethlehem Steel Corp. in 1966 to prevent the purchase of low-bid Japanese steel by the Los Angeles Department of Water and Power. The Appeals Court ruled that the California Buy-American Act was unconstitutional in that it effectively embargoed foreign products and

thereby constituted undue state interference with the power of the Federal Government to conduct foreign trade relations.

U.S.-Canadian Auto Talks—Representatives of the United States and Canadian Governments met in Washington on Nov. 12-13 to discuss steps which might be taken to further realize the objectives of the U.S.-Canadian Automotive Agreement of 1965. Further discussions will be held in Ottawa shortly after the first of the year. A working level meeting was also held on Nov. 13 to examine problems relating to reporting of automotive trade statistics by the two countries. The statistical group will meet in Ottawa on Dec. 15.

GATT: Non-Tariff Barriers—At a recent meeting in Geneva, the Committee on Trade in Industrial Products agreed to establish five working groups to explore possible solutions to non-tariff trade barriers (NTB's). The Committee was formed in November 1967 by the member countries of the General Agreement on Tariffs and Trade (GATT) to examine opportunities for further trade liberalization. As one of its principal tasks, the Committee prepared a comprehensive inventory of GATT member countries' non-tariff barriers and conducted a thorough review of various NTB categories. NTB's have been grouped into five categories: government participation in trade, such as government procurement, state trading, and export incentives; customs and administrative entry procedures; standards; specific limitations on imports and exports, such as quantitative restrictions, licensing and embargoes; and fees, taxes and other charges (excluding import duties) on imports and exports.

The first working group, which will review government participation in trade, will probably meet in Geneva in early January.

OECD: Tariff Preferences—Following a recent announcement by the President, the United States submitted to the Organization for Economic Cooperation and Development (OECD) a new proposal on generalized tariff preferences for developing countries. The proposal provides for duty-free entry of most manufactures and semi-manufactures and of selected agricultural and fisheries products, without quantitative limitations. The U.S. submission, along with the illustrative schemes of other prospective donor countries, is reflected in a substantive report by the OECD on the progress that has been made on this issue. The report, which has been transmitted to the United Nations Committee on Trade and Development and has been made available to the press, will serve as the basis for further discussions in international trade forums. See p. 7 of this issue of INTERNATIONAL COMMERCE for details.

International Coffee Organization: Quota Increase—The International Coffee Organization announced early in November that it had increased by 2.75% the annual export quotas for countries exporting any of four types of coffee, thus bringing about 1.3 million additional bags of coffee into world markets this quota year. The increase applies to "Colombian Milds", "Other Milds", "Unwashed Arabicas" and "Robustas". The action was taken pursuant to the quota-price system for adjustment of supply of coffee inasmuch as daily prices had been above the respective ceilings for 20 market days. The quotas had been increased by approximately one half million bags in October when prices exceeded the daily composite price for 15 consecutive market days.

William D. Lee is new BDSA head

William Douglass Lee, an executive of the General Electric Co. in Oak Brook, Ill., has been named Administrator of the Business and Defense Services Administration (BDSA) of the U.S. Department of Commerce.

Forrest D. Hockersmith, Deputy Administrator of BDSA, has been Acting Administrator since last April and is now retiring from Government service.

BDSA operations provide American firms with a broad range of economic and trade analyses and business programs, services, and assistance essential to foster U.S. business growth and technical development in both domestic and world markets. BDSA also handles a resources and materials system for defense production and industrial readiness. It also brings business considerations to bear in the policy-making process of the Federal Government.

Lee comes to BDSA from several successive top marketing and operating management positions in General Electric, most recently as general manager of the Electronic Components Sales Operations in Oak Brook. With GE since 1941, he has also held key sales, engineering and operations positions in company headquarters at Schenectady, N.Y., and at Philadelphia and Erie, Pa., Ft. Wayne, Ind., and Lynn, Mass. He has worked in fields ranging from process industries to utilities, consumer and industrial products, transportation equipment and communications and information systems.

Mr. Lee was born in Northfield, Vt., and has lived in many business communities. He holds a B.S. degree in Electrical Engineering from Norwich University, Northfield, Vt., and is a registered professional engineer.

International trade board to serve Miami businessmen

New organization to develop commerce, tourism, investment

A new organization, the Board of International Trade of Greater Miami, Inc., has just been established to serve and represent Miami's international business community.

The Greater Miami Chamber of Commerce, a Cooperative Office of the U.S. Department of Commerce, and the South Florida Regional Export Expansion Council were instrumental in formation of the new Board.

Assuming leadership in the development of international commerce, tourism, finance, and investment, the organization will provide a permanent headquarter with professional staff and services for its members and the international business community of Greater Miami. It will offer a forum and research facilities for the international interchange, development, and protection of ideas and innovations.

Toward improved standards

An independent body, the Board will undertake to improve the standards and methods whereby international trade is conducted. It will work closely with the Commerce Department and the South Florida REEC in promoting the Export Expansion Program.

A Council member, Admiral I. J. Stephens, was elected by the organizers as the first president. In addition, the following Council members were elected to the board of directors: Benjamin R. Atkins, vice president; Guy K. Stewart, general counsel and director; Frank J. Callahan; R. Leslie Cizek, Jr.; Milton N. Fisher; Gui Govaert; Fred B. Hartnett; Charles F. McKay; and Roger J. LaRoche. La Roche is director of the Commerce Department's Miami Field Office.

Milan Trade Center will host processing, packaging exhibition for foods industry

Italian meat processing industry composed of small, diversified plants; U.S. exporters supplied 22% of 1968 market for packaging equipment

Italian purchases of meat, fish and poultry processing and packaging equipment are expected to increase by $4.8 million a year for the next three to four years as the industry seeks to modernize its facilities.

To help American equipment makers take advantage of this promising market, the U.S. Department of Commerce's Bureau of International Commerce will stage an exhibition of meat, fish and poultry processing and packaging equipment at the U.S. Trade Center in Milan, Apr. 14-25, 1970.

Last year Italy spent nearly $2 million on imports of processing and packaging equipment and supplies. The U.S. share was 22%, an increase over the 1966 share of 12%.

The Italian meat processing industry is composed primarily of small-scale plants with diversified product lines, rather than large-scale special plants such as in the United States. Approximately 200 Italian firms are involved in meat processing; another 100 companies are employed as fish canners.

Modernization plans

Several of the larger companies are planning to construct new processing plants, while small and medium-sized processors are potential buyers of modern processing equipment already installed in the larger plants. The small and medium-sized plants need automatic, labor-saving processing equipment and process control systems.

The best sales prospects, according to Commerce market research, include: Packaging equipment, rendering and butchering equipment, mincing and sausage-filling machines, pasteurizing equipment and accessories, deep freezing and distribution equipment, canning machinery and equipment, equipment for processing special diet products and baby foods, short-time high temperature equipment.

Automatic process and quality controls, automatic weighing equipment, equipment for preparation of instant foods, controls for checking weight of live animals, automatic controls for refrigerated cells, special safety clothing used by butchers and workers in abattoirs and meat processing plants, frozen meat and fish cutting and cleaning equipment.

Pressure and air-operated pumps for industrial cleaning, vacuum blood concentrators, electric bone saws, special poultry saws, large meat grinders and mincers, frozen meat chippers, steak machines and equipment, automatic hamburger-making machines, powered knives.

The Milan Trade Center exhibition will be preceded by a market development campaign to assure maximum attendance of key buyers and potential agents and distributors.

Previous Commerce-sponsored food-processing and packaging equipment shows have brought impressive sales results to U.S. exhibitors and also helped them find agents and distributors to sell products overseas.

Last May at a Commerce-sponsored exhibition of food processing and packaging equipment and agricultural machinery at Novi Sad, Yugoslavia, 34 exhibitors, half of which were new to the market, recorded floor sales of $1 million. They predict that additional sales will total $8.4 million by next May.

In November 1968, at the Third International Central American Common Market Exhibition, San Salvador, manufacturers of food processing and packaging equipment joined with makers of other types of machinery and equipment in the fair's U.S. show. The 83 U.S. firms sold $1.4 million worth of their products at the fair and predicted total first-year sales of $5.5 million.

In August 1967, more than 8,000 Latin American businessmen visited EXPO-META, a Commerce-sponsored exhibition of food processing and packaging equipment held in Mexico City. Total first-year sales were $4.5 million. Nineteen of the 55 exhibitors were new to the market.

U.S. manufacturers of meat, fish and poultry processing equipment interested in the Commerce Department exhibition at the U.S. Trade Center in Milan, Apr. 14-25, may obtain an Exhibitors Export Market Guide IMIS 69-83, and further information from the U.S. Department of Commerce (BIC-944), Washington, D.C. 20230 (202-967-4508) or from any of the Department's Field Offices.

Building exhibition set for Australia

Equipment, materials, accessories and services for the construction industry will be on display June 17-25, 1970, at the First International Building Exhibition of Australia at the Sydney Royal Agricultural Society Showground.

Jointly sponsored by Suppliers Index Service of Australia and the London firm Building Trades Exhibitions Ltd., the show will be accompanied by a series of conferences being organized by several professional and trade groups.

Four pavilions and outdoor display space will be made available for the participants expected from the U.S., United Kingdom, Europe, South America, Japan, Middle East and several Southern Hemisphere nations.

Major divisions of the exhibition will include: service and development organizations; woodworking machinery; drafting and surveying equipment; building products; hardware; doors and windows; finishes; plumbing and heating.

Interested American firms should write: John G. Scandrett, Manager, International Building Exhibition, First Floor, 25 Willoughby Road, Crows Nest, N.S.W. 2065.

Swedes ask U.S. firms to ideal kitchen exhibition

The third biennial International Swedish Ideal Kitchen Exhibition, IDEKOK '70, will be staged in Stockholm Nov. 7-15 at the Marmorhallarna Exhibit Hall. Kitchen and other household equipment will be displayed.

American manufacturers and suppliers interested in this event should contact the exhibition manager: Lars Bostrom, Djurgardsslatten 86, S-100 57 Stockholm 24, Sweden.

Swedish show is cancelled

A municipal and industrial protection device exhibition organized by the U.S. Department of Commerce for the Stockholm Trade Center Jan. 21-27 has been withdrawn from the schedule.

Technical exhibition in Milan estimates $4.6 million in sales

Sales projections of $4.6 million for the coming year were made by 40 American firms exhibiting in the Nov. 18-22 Milan Trade Center show featuring advanced electronic components and microcircuits.

Confirmed show sales of $358,800 were reported made during the exhibition. Two participants were seeking agents through the show; one was signed and three were under negotiation at its close.

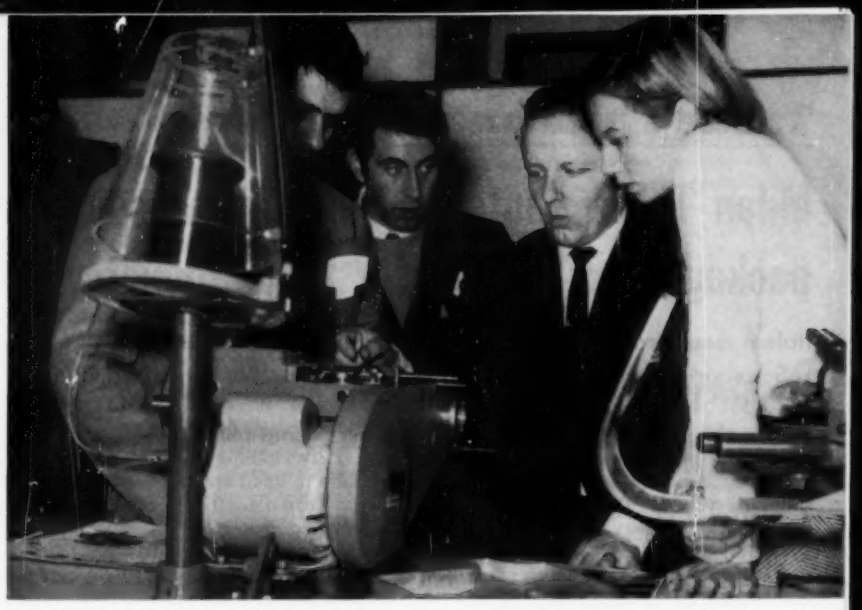
More than 1,560 registered visitors attended the exhibition.

Reporting impressive sales of its test equipment for transistors, diodes and integrated circuits was Teradyne, Inc. of Boston. The firm wrote $28,000 in floor orders and is estimating $500,000 in additional sales over the next year.

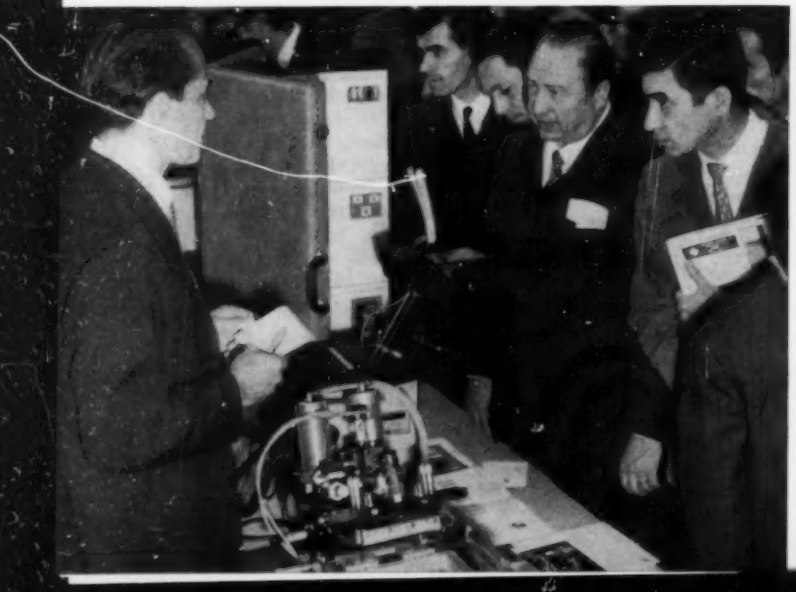
Additional exhibitors at the Milan exhibition included: Analog Devices, Inc., Cambridge, Mass.; Bourns, Inc., Riverside, Calif.; W. H. Brady Co., Milwaukee; Clevite Corp., Cleveland; Branson Instruments Co., Stamford, Conn.; Burr-Brown Research Corp., Tucson, Ariz.; Chemcut Corp., State College, Pa.; The Dexter Corp., Olean, N.Y.; Eastman Kodak Co., Rochester, N.Y.; Electronic Specialty Co., Thomaston, Conn.; B. Freudenberg, New York, representing: Magnetics, Inc., Sandy Lake, Pa.; Film Microelectronics, Inc., Burlington, Mass.; Cal-R, Inc., Santa Monica, Calif.; Plastic Capacitors, Inc., Chicago; Pulse Engineering, Inc., Santa Clara, Calif.; Textool Products, Inc., Irving, Tex.; Tel Laboratories, Inc., Manchester, N.H.; Philamon Laboratories, Inc., Westbury, N.Y.; C.S.I., Cambridge, Md.; Towne Laboratories, Inc., Sommarville, N.J.; and Transene Co., Inc., Rowley, Mass.

General Instrument Corp., Hicksville, L.I.; The General Transducer Co., Santa Clara; Hi-G Inc., Windsor Locks, Conn.; Hull Corp., Hatboro, Pa.; Industrial Reproductions, Inc., Nashua, N.H.; Leesona Corp., Danbury, Conn.; Mastech, Inc., Syracuse, N.Y.; National Beryllia Corp., Haskell, N.J.; National Semiconductor, Santa Clara; Panduit Corp., Tinley Park, Ill.; Philbrick/Nexus Research, a Teledyne Co., Dedham, Mass.; Pennwalt Corp., New York; Pure Aire Corp. of America, Van Nuys, Calif.; Rocke International Corp., New York, representing: Datascan, Inc., Clifton, N.J.; Radix Corp., Anaheim, Calif.; Victory Engineering, Inc., Springfield, N.J.; Statham Instruments, Inc., Los Angeles; Multimetrics, Inc., New York; Trompeter Electronics, Inc., Chatsworth, Calif.; Micom, Inc., Palo Alto, Calif., and Power Designs, Inc., Westbury.

Rotron, Inc., Woodstock, N.J.; Shipley Co., Inc., Newton, Mass.; Sigma Instruments, Inc., South Braintree, Mass.; The Superior Electric Co., Bristol, Conn.; Sylvania International, New York; Technipower, Inc., Ridgefield, Conn.; Union Carbide Corp., New York; Up-Right Scaffolds, Division of Up-Right, Inc., Berkeley, Calif.; Watkins-Johnson, Palo Alto; Westinghouse Electric International, New York; The Zippertubing Co., Los Angeles; Royco Instruments, Menlo Park.



TWO BUYERS, on the left, watch the Leesona Corporation's paper interleaf coil winder and Lamator stacking machine during a demonstration at the November Milan Trade Center exhibition of advanced electronic components and microcircuits. The show closed with $4.6 million in additional sales expected for 1970.



TRANSISTOR AND DIODE TEST APPARATUS were among the instruments displayed by Mastech, Inc., bottom left. On the right, a group of technicians examine a display of nylon molded cable ties exhibited by Panduit Corp., Tinley Park, Ill. The American exhibition was seen by 1,565 registered visitors.

Four agents picked at London dynamics test equipment show

More than 820 businessmen registered for a U.S. exhibition of dynamics test equipment which opened at the London Trade Center Nov. 10. When the show closed Nov. 14, $2.5 million in sales were being projected for the next 12 months by the 27 exhibiting firms.

Floor sales for the exhibition were modest—$58,400, due to the technical nature of the devices and the individual adaption required to fit many buyers' needs.

CGS Scientific Corp., Southampton, Pa., one of three firms seeking representatives through the show, signed four agents: one each in the United Kingdom, France, Germany and Italy. The two other companies were each negotiating with a candidate as the promotion ended.

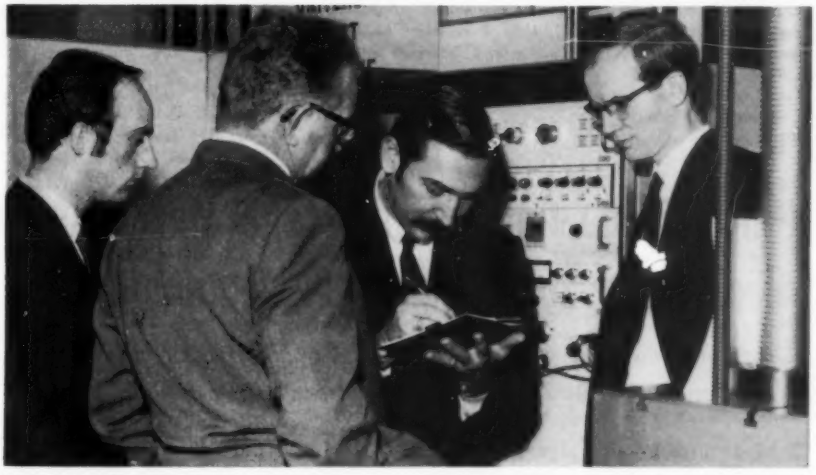
Leading the exhibition in anticipated orders for the coming 12-month period was General Automation. The Orange, Calif. firm projected $500,000 in sales of its mini-controller and computer.

Following General Automation was Trio-Tech, Inc., Burbank, with predictions totaling $250,000; Wang Laboratories, Inc., Tewksbury, Mass., with $200,000; and Spectral Dynamics Corp., San Diego, with $175,000.

Other firms represented or mounting displays in the exhibition were: Clevite Corp., Cleveland; Computer Automation, Inc., Newport Beach, Calif.; Dynasciences Corp., Chatsworth, Calif.; Elgenco, Inc., Santa Monica, Calif.; Endevco Corp., Pasadena, Calif.; Federal Scientific Corp., New York; General Oceanology, Inc., Santa Ana, Calif.; The Impac-O-Graph Corp., Cleveland; International Research & Development Corp., Worthington, Ohio; Kistler Instrument, Corp., Clarence, N.Y.; Krohn-Hite Corp., Cambridge, Mass.

Kulite Semi-Conductor Products, Inc., Ridgefield, N.J.; Ling Electronics, Anaheim, Calif.; M.B. Electronics, Division of Textron, Inc., New Haven, Conn.; MTS System Corp., Minneapolis; Dytronics Co., Columbus, represented by The Joseph Plascencia, Inc., New York; Rockland Laboratories, Inc., East Blauvelt, N.Y.; Schaevitz Engineering, Pennsauken, N.J.; Signal Analysis Industries Corp., Hauppauge, N.Y.; Vishay Intertechnology, Inc., Malvern, Pa.; Wyle Laboratories, El Segundo, Calif.

EXPLAINING HIS COMPANY'S Centerisafe Semiconductor Centrifuge is Jack Guy, president of Trio-Tech, Inc., right. Trio-Tech was one of 27 exhibitors in the Trade Center exhibition of dynamics test equipment.



THREE VISITORS from Britain's Central Electricity Research Laboratories surround Timothy Monsul, with notebook, an official of CGS. The Pennsylvania firm signed four agents during the show. Below, representatives of British Rail inspect a control console of a materials testing system shown by MTS System Corp.

ESTADO DE WASHINGTON denotes the exhibit by that state in the Sixth Pacific International Trade Fair, Lima, Peru, Nov. 14-30. This marked the state's first venture in South America and concluded with a number of new agents selected and several market surveys ended. The nine participating firms were represented by John Bauchens with the state's Department of Commerce and Economic Development. The firms were: Amadyne; Jupitor Corp.; Northwest International Trading Co.; Ross Laboratories; Genie Industries; Marine Design & Engineering Co.; Rothenbuhler Engineering Co.; Colmac Industries; Spencer Production & Sales Co. For the past five years, the state's promotional efforts have been centered in Osaka and Tokyo in cooperation with the privately owned Washington State International Trade Fair, Inc. Plans are now underway to participate in additional Far East and South American fairs. Pictured above, right, is Bauchens discussing Colmac laundry and dry cleaning equipment, and left, is the entrance to the display.

Paris Trade Center will stage March show of printing and bookbinding equipment

Rising labor costs, need for modernization and expansion make French market lucrative for American manufacturers and suppliers

Modernization and expansion of the French printing industry have quickened the demand for automated, high-speed printing, binding and typesetting equipment.

American manufacturers, seeking an opportunity to boost sales in this market, are already reserving space in a U.S. Department of Commerce exhibition set for Mar. 17-20, 1970, at the new U.S. Trade Center in Paris.

The all-U.S. export promotion, which will be staged by the Department's Bureau of International Commerce in cooperation with approximately 30 U.S. companies, will bring buyers and sellers together through a vigorous market development campaign in France and neighboring countries.

Faced with rising labor costs, the French printing and binding industry seeks modern, mechanized equipment to increase productivity. Wage rates in the industry climbed 60% from 1966 through the first quarter of this year, according to market studies.

U.S. printing equipment is well-regarded in France both for quality and post-sales servicing, the studies show. French printers are also interested in U.S. photo typesetting, presensitized plates, automatic film developing, sheet-fed and web offset, and automated binding.

French imports of printing and binding equipment totaled more than $44.6 million in 1968; U.S. firms supplied over $6 million worth. The Paris show offers U.S. manufacturers of this equipment an opportunity to increase their share of the French import market.

The sales prospects in the French market, as identified by research studies, are for the following products:

► Printing Machinery: Business forms printing machines; web offset presses; advanced screen printing machines; automatic platemaking equipment; standard and computerized photo typesetting equipment, and automated machines for sheet-fed multicolor offset printing.

► Bookbinding Equipment: Automated, high-speed gluing machines; wire stitching and folding machines; book-jacketing equipment; sheet counters; perfect binders; binding machinery, and collating and inserting machines for books, magazines and business forms.

► Auxiliary Equipment: Automatic control equipment of all types, including densitometers and pH control meters; plastic plates for letterpress; offset plate processing machines; presensitized lithographic plates; automatic film processing equipment; ink pumps and agitators; tape perforating machines and color scanners.

France has about 24,000 printing establishments, mostly in the Paris area and mostly small. Total shipments by the French printing and publishing industries amount to about $2 billion annually.

U.S. makers of printing and binding equipment have found buyers through other Commerce Department exhibitions.

At an exhibition at the Tokyo Trade Center last July, 30 exhibitors reported floor sales of $269,131, and forecast additional sales of about $3.1 million within a year. Four agents were signed during the show; eight agency agreements were being negotiated at show's close.

U.S. manufacturers interested in the Paris show next spring may obtain an Exhibitors Export Market Guide IMIS 69-75, and more information from the U.S. Department of Commerce (BIC-946), Washington, D.C. 20230 (202-967-3822) or from any of the Department's 42 Field Offices.

Ankara show draws 16 American firms

Exhibit was spin off from Izmir Fair; attendance 27% over 1968

Sixteen U.S. companies mounted displays in TURKEX '69, a U.S. Department of Commerce-sponsored solo exhibition at the Turkish Union of the Chambers of Commerce and Industry exhibition building in Ankara, Nov. 11-15. The firms wrote $235,300 in orders during the show and are projecting $3.5 million in first year post show sales.

TURKEX, a spin-off exhibition from the Izmir International Trade Fair staged Aug. 20-Sept. 20, was seen by 840 businessmen. Attendance was 27% higher than the last TURKEX in 1968; the first such U.S. show was in 1967.

Sperry Rand's UNIVAC Division, New York, was the promotion's sales leader. Exhibiting electronic computers, the firm wrote $225,000 in confirmed orders at the event. UNIVAC was also the exhibition sales leader in TURKEX '68.

International Telephone & Telegraph Corp., New York, felt that exposure received in TURKEX will assist them in ground station bidding in Turkey.

Half of the show's participants exhibited in Izmir and were joined by seven other manufacturers of business systems, communications and transportation equipment, and one financial institution.

COMMUNICATIONS SYSTEMS were displayed by Motorola Communications International, Inc. at TURKEX '69 in Ankara, Nov. 11-15. Transmitters, receivers, mobile and stationary units were shown.

Other exhibitors in TURKEX '69 were: Allis Chalmers Mfg. Co., Milwaukee; Ampex Corp., Red Wood City, Calif.; Bank of America, New York; Bendix International, New York; Briggs & Stratton Corp., Milwaukee; Caterpillar Tractor Co., Peoria, Ill.; Friden Division, The Singer Co., San Leandro, Calif.; General Electric Co., Mobile Radio Dept., Lynchburg, Va.; McDonnell Douglas Corp., Long Beach, Calif.; 3M, St. Paul; Monroe Division, Litton Business Systems, Inc., Orange, N.J.; Motorola Communications International Inc., Schaumburg, Ill.; RF Communications, Inc., Rochester, N.Y.; Wisconsin Motor Corp., Milwaukee.

REGISTRATION STATISTICS show that 704 registered, below left, as trade representatives during the five-day show. Above right is the booth of Friden Division, The Singer Co., which displayed its Flexowriter along with an electronic calculator, billing machine and composing equipment. Bottom right is the 3M booth. The Minnesota manufacturer showed the photo copier, pictured, and microfilm reader-printers. This was the third annual U.S.-staged TURKEX.

Hong Kong surges ahead

Sweeping economic growth, free trade policy offer new opportunities for U.S. business

Hong Kong turned in an outstanding economic performance during the first three quarters of 1969, according to the semi-annual Economic Trends Report from the American Consulate General in Hong Kong. The strong, broad-based upsurge which began in the latter half of 1968 gathered momentum to encompass every sector of the economy, even areas dormant for several years.

Hong Kong's surging economy and free trade policy, combined with recent U.S. promotional efforts, provide a generally favorable climate for expanded sales of American products. Because of the mounting labor shortage, manufacturers have become more interested in a wide variety of labor-saving machinery. U.S. textile machinery orders have shown unusual growth this year, and further gains are anticipated in the immediate future owing to buoyant conditions in Hong Kong's textile industry and revaluation of the German mark making American products more competitive with the Colony's second leading textile machinery supplier.

Many types of testing and quality control equipment are also finding a consistently strong market. Contributing to buyers' interest in this general field, a trade exhibition of sophisticated American electronic equipment was held in October. Expansion in the construction and building industry opens new possibilities for sales of associated machinery, equipment, materials and other products.

The Colony's overall business prosperity and continuing expansion offer further opportunities for office equipment and machinery sales. Other areas of decided potential include pharmaceutical and paper products.

Gains in real income are providing a steadily growing market for various consumer goods. In April, three local department stores held an "America Week" promotion in the first tri-store promotion ever attempted under this U.S. Department of Commerce program.

Prospects for farm products

With regard to agricultural products, prospects are not encouraging for increased imports of U.S. cotton. The tight labor situation which has affected production in the spinning sector, large inventories, and a continuing shift to man-made fibers suggest a general leveling off in overall cotton consumption and possibly, because of various price factors, a decline in U.S. sales.

Several unexpected orders have been placed this year for American rice due to unstable Thai prices; but barring special developments, additional sales are not foreseen. On the other hand, tobacco, fruits, vegetables and processed foods show promising growth.

In October, the U.S. Department of Agriculture and cooperating trade groups mounted a three-day exhibition of high quality U.S. foods aimed at 1,250 of the Colony's leading purveyors and institutional users. Rising local living standards and rapid tourist growth make this rewarding, although highly competitive, market well worth the attention of American exporters.

So far this year, Hong Kong has enjoyed a modest revival in new foreign manufacturing investment. Generally, these operations have been rather small, involving a relatively limited work force. A number of existing foreign companies in the Colony, including American electronic concerns, are enlarging their facilities; but in varying degrees the pace of expansion has been influenced by difficulties in recruiting workers, and in some cases a high rate of labor turnover.

Hong Kong again postponed an investment promotion mission to the U.S. originally planned for the Spring of 1968 and rescheduled for this Fall. More detailed information on labor availability, skills and wages was believed necessary if the Colony was to avoid additional pressure on wages by encouraging new industry to locate in areas already experiencing a tight labor market.

Industrial land prices are higher in Hong Kong than in most other Far Eastern countries. Nevertheless, opportunities still exist for certain new industries needing only a comparatively small number of workers and relatively little floor space.

Although Hong Kong wages are rising somewhat more rapidly than in the past, local labor costs will, of course, remain markedly lower than in Japan, Europe, or the United States. Hong Kong's generally higher level of productivity can, in some instances, also be more important than the lowest possible wage level. With the labor shortage largely concentrated in young female operatives, industries utilizing a high ratio of male to female workers have been relatively less affected by the present tight labor situation.

Also some local companies (and at least one American concern) have found pools of female workers by locating

U.S. is major buyer

While Hong Kong improved its position in most overseas markets, particularly large increases were recorded for the United States and West Germany. The American market took 42% of all Hong Kong domestic exports, with nine-month sales up 28.5% over the same period last year to reach $514 million.

Almost two-thirds of the Colony's export expansion to the United States through July was attributable to just two categories—clothing, which alone accounted for 40% of the gain, and electronic goods.

New U.S. offices

Recent months have seen an exceptionally rapid influx of U.S. companies establishing regional offices. During the period from August to October, 30 new U.S. entrants came to the Consulate's attention. Some of these represented a transfer of operations from Japan, where housing rentals and tax rates are considerably higher than in Hong Kong. With Hong Kong accommodations now difficult to find at any price, the number of new regional offices and additional personnel may slacken somewhat in coming months.

plants near public housing or other population concentrations outside heavily industrialized areas. Finally, Hong Kong may still offer certain cost advantages in fields where the Colony already has a reasonably developed industrial base (e.g., electronics, plastics, textiles) because of the availability of local skills, materials and equipment.

Exceptional export strength

The all-important domestic export sector continued to show exceptional strength in the first three quarters of this year as shipments rose 25% to total $1.2 billion (figures in this report are in U.S. dollars). Mid-year commodity breakdowns highlighted the key role of clothing shipments, which accounted for over half the Colony's export growth by value. In other major sectors, electronic goods, divided almost equally between transistor radios and components, turned in an excellent performance; wigs exhibited explosive growth; and plastic goods, toys, and dolls, made creditable progress.

Hong Kong is expected to maintain a high level of export growth in the coming months, but the overall rate of expansion may moderate somewhat as American inflationary pressures are eased, with a consequent reduction in U.S. import demand.

On the other hand, the recent revaluation of the German mark is expected to stimulate sales in Hong Kong's third largest overseas market. Looking further ahead, export growth would, of course, be tempered by any restraints established in the future on manmade and wool fiber textile shipments to the United States.

Over the next two years, a number of local manufacturers will be forced to make major adjustments in response to a surprise announcement by the British Government in August that it would drop comprehensive quota restrictions and instead levy tariffs on cotton textiles from Commonwealth countries, effective Jan. 1, 1972. While it is still too early to assess the full effect on Hong Kong, local cotton textile shippers to Britain will, at a minimum, suffer a large cut in profit margins when the new arrangement comes into force.

Imports post strong gains

Reflecting strong impetus from export manufacturing, buoyant domestic demand and revived entrepot trade, imports posted a strong 17% increase to total $1.7 billion during the first nine months. Japan maintained its position as Hong Kong's leading supplier with 23% of the market, followed by mainland China at 18% and the United States holding 13.6% of the Hong Kong import market.

As in 1968, Japan recorded the highest level of growth among major suppliers with sales up 26%. Through June, some 40% of the gain consisted of fabric and yarn goods (mostly man-made but also wool fiber) to meet heavy demand from Hong Kong's booming garment industry.

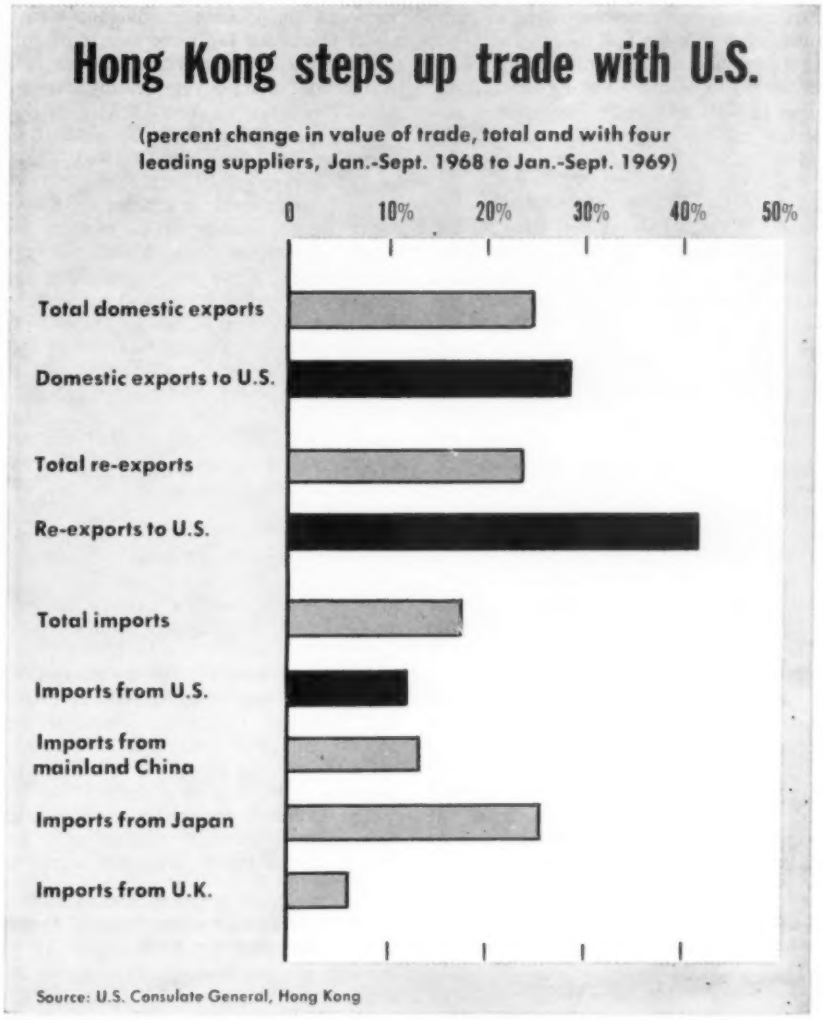
Notable increases occurred in many other commodity sectors, including machinery, parts for transistor radios and television receivers and such tourist related items as cameras and watches. Imports from mainland China also increased, largely because of higher deliveries of live animals and clothing.

U.S. sales advanced a surprising 12% to reach $233 million by the end of September. Marked declines in deliveries of U.S. raw cotton and rice were offset by unexpectedly sharp increases in electronic components and parts and unset diamonds. Both of the latter provide little or no foreign exchange earnings for the United States (most locally processed components and parts are shipped back to the United States).

Other U.S. goods are selling

Noteworthy but more moderate increases were recorded in other areas including instruments and optics, textile yarn and fabrics, non-electric machinery, fruit and vegetables (predominantly oranges), pharmaceutical products, paper products, metal manufactures, and tobacco products.

Retained imports (imports minus re-exports)—a key indicator of domestic economic activity—were up 16% in the nine months through September. Half year statistics revealed a 24% rise in raw materials and semi-manufactures, with a



particularly sharp increase noted in man-made fiber fabrics.

Raw cotton imports provided the major exception to an overall rising trend, dropping 18%. Significantly, construction materials and capital goods recorded healthy advances.

Re-exports resume expansion

For the first time since local Communist disturbances in 1967, Hong Kong registered sizable gains in its entrepot trade. Re-exports rose 23% to $309 million, a record high for any first nine month period.

Increased trade in mainland Chinese goods accounted for half the rise, according to detailed figures at mid-year. Obviously, any ban which China may have placed on the use of Hong Kong as a re-export center for mainland goods has now been quietly dropped.

Through June, Japan took 20% of all Hong Kong re-exports, Singapore 12% and Indonesia 11%, followed by the United States with 5%. Notable increases were observed in re-exports to Japan and Singapore, while some further slackening occurred in the Indonesian trade.

Mainland China maintained its traditional position as the leading country of origin of re-export goods, with the United States in second place. During the first six months of 1969, 20% ($28.7 million) of all Hong Kong imports from the United States were re-exported.

Medical and pharmaceutical products, diamonds and electronic components together accounted for more than 60% of this trade with medical and pharmaceutical products alone representing over a third. The major markets for U.S. origin re-exports were Japan, the United States, Malaysia, South Viet-Nam, Taiwan, Thailand, Singapore, and South Korea.

The United States remains far and away Hong Kong's leading trade partner. If current growth rates are maintained, total U.S.-Hong Kong trade (including re-exports to the United States) will reach approximately $1.0 billion at the end of this year (in contrast to $877 million for 1968). With Hong Kong's success in the American market substantially outstripping imports from the United States, last year's U.S. trade deficit of $311 million will rise to approximately $400 million in 1969.

Tourist boom continues

Hong Kong's tourist industry made exceptional advances on the basis of a 24% increase in civilian arrivals during the first nine months. Not counting military personnel, total visitors numbered 547,500, and should exceed 725,000 by the end of the year, in contrast to 618,000 in 1968. U.S. arrivals (151,300 compared to 159,000 for all of 1968) rose 33% to remain the leading group followed by the Japanese (100,230), up a sharp 55%.

The Colony's popularity as a tourist destination (reportedly second only to Hawaii in the Pacific area) has placed a serious strain on hotel space during the Spring and Fall peak seasons. Industry spokesmen warn that tourist growth will suffer in the 1970's unless steps are taken immediately to expand hotel accommodations and other facilities.

The Government signaled its intention not to provide direct financial assistance for such projects as a convention hall by announcing that tourism probably accounted for only 5½% of Hong Kong's national income in 1968, while manufacturing contributed over 40%. However, it has moved to encourage hotel developers by easing purchase terms for Crown land and by clarifying building regulations to permit construction of larger hotels on a given land site.

As a result, prospects brightened that at least one major first class hotel will begin construction in the near future, and other projects involving additional medium price accommodations are in the formative stage. In a development involving U.S. interests, a large American hotel operator concluded an agreement to assume management of a leading local hotel, effective Nov. 1.

The first jumbo jet is now expected to arrive in Hong Kong in late April or mid-May 1970. Facilities currently under construction should make Kai Tak one of the better prepared airports in Asia to handle the new aircraft. But unless the runway is extended, it will not be able to accommodate jumbo jets with a full passenger-fuel load or service future SST's. The British Government has declined to provide financial assistance for the project, leaving Hong Kong with the decision whether to proceed on its own or defer the extension for some later date.

In July, Hong Kong retailers welcomed a modification in U.S. regulations designed to reduce the inconvenience caused to American travelers desiring to purchase Communist Chinese goods for non-commercial use. The new ruling permits the purchase of Chinese-type goods up to $100 per person for entry into the United States each calendar month as accompanied baggage without a Comprehensive Certificate of Origin (CCO). (Such goods in excess of $100 still require a CCO.) The U.S. action is not expected to have a significant impact on local producers of goods directly competitive with mainland China.

Labor shortage

The labor market began to tighten with the Colony's economic upsurge in the latter half of 1968 and difficulty in obtaining new workers has become increasingly acute during recent months as the boom continues. At mid-year, registered

U.S.-MADE LADIES' GARMENTS are appealing items to many of Hong Kong's women customers. Above, shoppers are attracted by a display of American clothing in a modern department store.

industrial enterprises reported over 22,600 vacancies, the largest number in the history of the Hong Kong Labor Department employment survey and a sharp increase of some 12,500 since the end of 1968. The most serious shortage is in young female production workers, upon whom many of Hong Kong's leading and fastest growing export industries heavily depend.

During the same period, however, industrial employment posted a notable 14% advance. Obviously, the labor pinch has not prevented a marked expansion in Hong Kong exports. But with more labor available, export growth might have been even more impressive as some plants have been forced to turn down orders or stretch out delivery dates.

Because of the tight labor market, numerous companies are experiencing a higher rate of employee turnover and increased pressures for larger wage increases. No recent Government figures are available, but a prominent industry spokesman predicts that industrial wages will advance about 14% this year, compared to an average annual compound rate of 8.6% over the last 5 years. With consumer price increases running about 3%, this would represent a significant rise in real wages.

Despite advancing labor costs, there is general confidence that Hong Kong will remain competitive in world markets as local manufacturers continue to move into somewhat more sophisticated, higher price product lines, invest in more modern labor-saving machinery and improve production techniques.

Labor reforms are promised

As the first major step in a series of labor reforms promised earlier this year, the Government has introduced new legislation to provide higher benefits and widen the scope of workmen's compensation, effective Jan. 1, 1970.

Periodic payments during temporary incapacity will be increased from half the workman's earnings to two-thirds his earnings at the time of injury; maximum and minimum compensation payable to an injured worker and compensation on death are to be increased; and members of some local services, domestic servants and agricultural workers, who are excluded from present legislation become eligible for compensation. There will also be better protection for workers under 18 and apprentices.

Almost no new construction starts in 1965-68 combined with increasing demand from local and foreign residents has created Hong Kong's worst housing shortage since the early 1960's. Growing numbers of foreign companies opening new offices in Hong Kong have contributed to especially heavy demand and marked rent increases for "large" apartments (over 1,000 sq. ft. in area).

PRODUCTION OF TRANSISTOR RADIOS in Hong Kong jumped by over 42% from the first nine months of 1968 to the same period this year. Pictured are Chinese girls assembling radios.

The market has tightened in recent months to the point where foreign arrivals now find it very difficult or impossible to obtain suitable housing. Rents are certain to go higher until at least late 1970 or 1971, when units presently under construction begin to come on the market. Additionally, a shortage of most other categories of private accommodation is expected by the end of the year in all parts of Hong Kong's urban area. However, the effect of this on low income earners will probably be cushioned by the Government's large housing program.

Although the shortage of office space is not as acute as in housing, accommodations have become scarce in such prime locations as Central District (Hong Kong Island) and Tsimshatsui (Kowloon). Growing pressure on factory space has also been evident since the latter half of 1968. Developers continue to pay high premiums for choice industrial land, with prices reportedly going as high as $31 per square foot. Rents for both industrial and commercial premises in several sections of the Colony have risen steadily during the past few months and will probably continue to climb in 1970.

Developers are beginning to react to the increased demand for new facilities. A number of half-finished projects overtaken by the events of previous years are now being completed. Moreover, new building plans submitted for Government approval rose considerably between January and August when 493 applications were received—more than for all of 1968 (364) and each of the two preceding years. As noted above, imports of construction materials are on the upswing for the first time in some years.

New building boom unlikely

Despite favorable signs, the boom conditions in the building industry five years ago are not likely to recur in the foreseeable future. Diminished public confidence in property as a long-term investment after the real estate crash of 1964, the banking crisis of 1965 and the Communist confrontation of 1967; attractive alternative investment opportunities; and greater difficulty in obtaining bank credit since 1965 all militate against any headlong rush into property development and new private construction.

Today, the market is more likely to attract the larger investor, usually a well-established company looking for a reasonable return on capital, rather than the speculator. Accordingly, while all indications point to a revived interest in development, it will take a considerable period to bridge the present gap between supply and demand.

Hong Kong's reviving construction industry stands to receive additional stimu-

lus from the long-planned cross harbor tunnel project. The British Export Credit Guarantee Department's agreement in April to provide a loan repayment guarantee, followed by the Tunnel Company's successful negotiations with an international British-led engineering consortium (including one U.S. company) culminated in a ground breaking ceremony on Sept. 1.

The project is scheduled to be completed in three years at a cost of $45 million. Plans call for recruiting about 800 Hong Kong workers as well as procuring substantial quantities of building materials locally. The final go-ahead on the tunnel, coming after years of protracted and often seemingly futile negotiations, was greeted with considerable satisfaction in the Colony. Local observers view the project as another indicator of overseas long-term faith in Hong Kong, and as a further boost to local confidence in the Colony's future.

Capital goods are selling

Apart from construction, capital formation as measured by retained imports of machinery and equipment recorded a strong 24% upsurge to $92.4 million during the first six months of 1969 over the same period last year.

Major increases were recorded for: textile machinery; mining, construction and industrial machinery; electrical machinery; road motor vehicles and parts other than passenger motor cars; and scientific, medical, optical, measuring and controlling instruments and apparatus.

Through September, bank deposits had risen 20% to $1.93 billion, while outstanding loans and advances were up 26%. Of the Colony's 73 licensed banks, a number (including one American bank) have opened a total of fourteen new branch offices this year. Bank offices in Hong Kong now total 360—another record high.

Hong Kong's well-publicized prosperity, continuing attraction for capital from Southeast Asia, increased importance as a financial-trading center and central location have all prompted an unusual growth of foreign banking interest in the Colony. Over the last six months two American banks acquired equity shares in local Chinese banks, while three others opened representative offices raising the number of U.S. banks with representative offices in the Colony to six. Two Swiss and three Canadian banks have also opened representative offices in recent months.

Hong Kong has not remained immune to the attraction of high Eurodollar and other foreign interest rates for local private funds. This was perhaps most noticeable in May and June when deposit growth slowed perceptibly. Pressures arose within the banking community for an increase in local deposit interest rates to remain competitive with overseas rates which would, of course, have been accompanied by a rise in the prime loan rate. This eased, however, with the subsequent pickup in deposit growth from July onward.

Foreign banks pay more

With respect to bank funds, a combination of factors—including more attractive overseas interest rates and the U.K.'s exchange guarantee for sterling held in London—has drawn considerable money out of the interbank call money market, sending the call money borrowing rate above the prime lending rate and making it difficult at times for foreign banks to find loan funds at any rate. This situation continues to adversely affect local foreign banks (including American) which traditionally have a small deposit base and rely on the inter-bank call money market for loan funds.

At the end of October, the Hong Kong Stock Exchange climaxed a period of expanded trading with a series of record shattering highs. Brokers agree that money is entering the market from various sources within and outside Hong Kong, but there is no consensus as to the origin of the bulk of funds. Coincident with the stock market boom, several leading companies went public with their shares very heavily oversubscribed. Other companies are planning to go public and plans have been announced to form a second stock exchange by the end of the year.

Drive against tax evasion

Legislation was enacted in June giving the Commissioner of Internal Revenue extensive new powers to combat tax evasion. Prior to the enactment, the Internal Revenue Department publicly reminded Hong Kong's foreign business community that total income arising in or derived from the Colony must be declared—including all income earned from services rendered in the Colony.

According to the Department, some expatriate personnel draw only a portion of their salary in Hong Kong, with the remainder deposited in accounts outside the Colony and not declared in local tax returns. Claiming that tax evaded by partial declaration has in some cases been "substantial", the Department is now in the process of expanding its enforcement program.

Botswana appears on verge of major mining developments

New investments of $130 million announced; infrastructure needed

New investments totaling $130 million herald the beginning of major mining developments in Botswana.

Roan Selection Trust Ltd. proposes to invest $98 million in a mining facility that will service two mines, Pikwe and Selebi. The Pikwe deposit has proven ore reserves of 21.3 million short tons, of which 1.5% is nickel and 1.2% copper. The second site, Selebi, has proven reserves of 10.5 million short tons, of which 0.6% is nickel and 1.5% copper. The ore would be treated at a common plant equipped to produce 37,000 short tons per year of a copper/nickel matte and an annual output of 125,000 short tons of sulphur.

In another development, one of the largest diamond pipes in the world has been discovered recently by a subsidiary of the De Beers Consolidated Mines Ltd. The De Beers company plans to invest $32 million to bring the mine into operation. In the interim the Government of Botswana will build an all-weather road from the town of Orapa to Francistown with financing supplied by an Anglo-American Corp. loan. Production is scheduled to reach three million carats four years after initial output in 1971. The prospect of additional diamond pipe discoveries in the area appears good.

Prospecting activity in Botswana has increased significantly since 1960 and has already resulted in important mineral discoveries. Diamond and copper-nickel deposits in the northeastern section of the country apparently offer the best immediate development prospects.

The development of minerals in Botswana depends largely upon the availability of infrastructure, so the Government has been approaching outside sources of capital for financial assistance. A team of World Bank consultants carried out a pre-investment survey of the technical problems and economic feasibility of providing the necessary infrastructure for proposed mining facilities in the northeastern section.

Known reserves of other minerals, such as coal, manganese, asbestos and gold could become commercially operable should the proposed facilities be provided by the Government of Botswana.

Indian economy gains muscle as agriculture and industry continue rebound from three-year recession

Crops and industrial output may reach record levels in 1969; U.S. remains leading supplier of goods and investment capital

The Indian economy has fully recovered from the drought-related recession of 1965-67. Both agriculture and industry are poised for further growth during the months ahead and give promise of achieving record levels during the current period.

The semi-annual Economic Trends Report from the U.S. Embassy in New Delhi points out that generally favorable summer rainfall throughout most of India, combined with increasing use of fertilizer and improved seed, has resulted in early crop estimates significantly higher than the near record levels of the preceding year. Agricultural and industrial prices have remained relatively stable. Industrial output has in recent months increased moderately and gives prospect of a more rapid rise during the remainder of the current fiscal year. Increased exports, particularly of non-traditional commodities, and other favorable factors have resulted in an increase in foreign exchange reserves to a new high for recent years.

Indian exports, which increased sharply during the 1968-69 fiscal year by 13.1% above 1967-68 levels, increased only 3.7% during the first five months of the current Indian fiscal year in comparison with the same period for the preceding year; however, current export prospects are more strongly upward.

Total Indian imports for fiscal 1968-69 decreased by 5.5% from 1967-68 levels. With improving industrial activity and higher maintenance import requirements, the rate of Indian imports is expected to increase during the remainder of the current fiscal year.

U.S. still leading supplier

The United States is expected to continue to be India's leading supplier in the 1969-70 fiscal year, as in recent years. The sharp decline in imports from the United States during 1968-69, 25.7% below 1967-68 totals, was due primarily to reduced foodgrain shipments, as well as to the short-term effect of the U.S. maritime strike which also depressed Indian imports during the first quarter of the current fiscal year.

During the remainder of fiscal 1969-70, imports from the United States are expected to be strong in foodgrains, cotton, fertilizers, certain petroleum products, organic and industrial chemicals, essential oils, plastic materials, specialized machinery and machine tools, scientific and electronic equipment, and other products of advanced technology.

Indian demand for foodgrains, cotton, vegetable oil and tallow will continue at relatively high levels in spite of overall bumper crop expectations. Under a new Public Law 480 agreement concluded between the United States and India in October 1969, 3,000,000 tons of wheat, 100,000 bales of cotton and 95,000 tons of vegetable oils will be imported from the United States to supplement local supplies and build buffer stocks.

Indian imports of fertilizer during 1968-69 amounted to nearly 1.3 million tons (nutrient content), of which more than 50% was supplied by the United States. This compares with nearly 1.5 million tons for all of the preceding fiscal year. During 1969-70, while India announced its expectation of importing chemical fertilizers, primarily urea, ammonium sulphate and calcium ammonium nitrate, to the value of $280 million, reassessment of demand and foreign exchange availability may reduce this figure. Limited quantities of other types of fertilizers will also be imported.

To meet the growing shortage of steel to fill export orders in various manufacturing industries, it is probable that substantial quantities of steel of various types to the value of as much as $200 million may be purchased for import by India during forthcoming months, much of it from the United States.

During 1970, the level of U.S. exports, to be a considerable extent, will depend on the level of direct governmental assistance extended to India by the United States.

The United States continues to be the primary source of private foreign equity investment in India. Some reduction in time required for the licensing of new investments has been noted under recently revised governmental procedures, but the overall level of new foreign investment continues low.

Joint ventures slow down

During the first six months of 1969, nine Indo-U.S. business collaborations were approved by the Government of India, compared with 36 during 1968 and an annual average of 54 during the preceding five years. Of the nine joint ventures approved, five involved direct investment by U.S. companies.

Uncertainty and apprehension on the part of many Indian businessmen at the present time is a primary factor in business caution on industrial expansion and new investment. While nationalization of fourteen domestic private banks in July 1969 has so far appeared to have only limited effect on ordinary business operations, many Indian businessmen report a resultant hesitancy and caution on new investment, pending clarification of governmental credit policies and industrial objectives.

Uncertainty concerning the Government's intentions on industrial policy has tended to induce caution on the part of many large industrial groups. The long-term effect of such uncertainties on the otherwise favorable outlook for industrial expansion remains to be assessed.

During the first five months of calendar 1969, industrial production recorded a significant increase over the same five months of 1968. Faced by favorable farm

U.S. is main source

The United States continues as India's leading source of net foreign private equity investment. Areas of recent active investor interest by U.S. companies include fertilizers and chemicals, petro-chemicals, industries related to tourism, farm machinery and equipment, electronic and communications industries, and various products of advanced technology.

Some improvement in the speed of the decision making process concerning foreign investment has been reported under revised Government of India procedures initiated late in 1968. However, short-term prospects for substantial expansion of the level of foreign investment in India appear limited.

income prospects, consumer goods demand is relatively strong and output is increasing. In most agro-industries demand is likewise strong. Some weakness in sales of fertilizers has been noted, due primarily to regional distribution and supply problems.

In the heavy industries, in spite of idle capacity in certain sectors, there has been improvement in the use of existing plant capacity during recent months, in most cases to levels above those obtaining before the recession. A serious build-up of inventories is reported in general purpose machine tools, due to slowness in the rate of new investment and plant expansion.

Some industries dependent on steel have had problems in maintaining or expanding production because of shortages of steel due to disturbed labor conditions in the iron and steel industry of West Bengal.

Overall, however, the outlook for higher utilization of industrial capacity is favorable. The recent recommendations of the National Commission on Labor now being examined by the Government may contribute to improvement in industrial relations in coming years.

Favorable crop prospects

The revised estimate of 94.0 million tons of foodgrains for the last crop year (July 1968-June 1969) showed a slight decline from the record level of 95.6 million tons of the preceding year, due to less favorable overall rainfall conditions and drought in some districts. The Fourth Plan target for the current 1969-70 crop year is in excess of 100 million tons. If substantially realized, this would represent significant progress toward self-sufficiency in foodgrains.

Products in demand

The growing Indian industrial and agricultural sectors will continue to generate increased demand from the United States during 1969-70 for industrial raw materials and products of importance to the Indian agricultural economy. Significant export opportunities are in prospect for American suppliers of specialized machine tools, electronic equipment, food processing machinery, certain agricultural machinery and components, chemicals, lubricating oils, sulphur, medicinal and pharmaceutical products, non-ferrous metals, certain steel mill products, refractories, transportation equipment, foodgrains, cotton, vegetable oil, tallow and fertilizers.

INDIAN PORT MANAGERS, above, recently visited the Port of Oakland. The study team observed modern port operations and management techniques for application to Indian port operations.

The achievement of such an optimistic target, while necessarily dependent on the adequacy of winter growing conditions, appears probable. Early official estimates of foodgrain production for the current summer crop amount to 68 million tons of foodgrains, compared with 62.5 million tons for the same period last year.

The improvement reflects both generally favorable rainfall conditions during the early part of the current crop year and increasing use of fertilizer and improved technology, especially seed. Some areas, particularly in the north, also report a significant increase in farm mechanization.

Prospects for cash crops are likewise generally favorable. The outlook for increased output of oil seeds and cotton, of particular importance to Western India, is encouraging. Production of raw jute has sharply increased over the previous year's levels. Sugar-cane prospects appear good for a second successive year. Output of tea, of particular importance to Eastern and Southern India, is expected to be lower. Overall, the outlook for most cash crops is favorable.

Farm machinery is sought

Generally improved purchasing power in rural areas compared with past years is reflected in continuing strong demand for agricultural equipment, including tractors, other farm machinery and small irrigation equipment. Tractor manufacturers and distributors report rising sales and a substantial backlog of orders, particularly for tractors using liquid-cooled engines which are less likely to be affected by extreme summer temperatures. Full utilization of existing capacity and some plant expansion in industries serving agriculture is in prospect to serve rising rural demand.

Consumer goods of a broadening variety are reported selling strongly. Key indicators, including bicycles, transistor radios, electric fans, flash lights and hurricane lanterns, and tires have continued their upward movement.

Better marketing pays off

Improved marketing efforts by leading manufacturers in rural areas are continuing to achieve satisfactory results, with an upward trend in sales and profits. Notable exceptions to this generally favorable outlook are in general purpose machine tools and heavy industrial equipment other than electrical.

For products of importance to the agricultural economy, the production and sales outlook continues strong. Rising demand is also evident in commercial and passenger vehicles, rubber products including tires and tubes, fertilizers, pesticides, industrial chemicals and pharmaceuticals, tractors and farm machinery, aluminum and non-ferrous metals, refractories, scientific instruments, electrical equipment and sophisticated machine tools.

Unsatisfied demand for various steel

mill products is also reported due to recent reduced levels of production. The prospects for fabricated steel structurals and non-electrical types of heavy industrial equipment, while improving, remain moderate. Demand for general purpose machine tools is slow.

Regionally the outlook is generally favorable with the exception of Eastern India. Most of Western, Northern and Southern India evidences a rising level of utilization of plant capacity with some expansion taking place in a few industries.

Capacity for agricultural equipment, some consumer goods, and for fertilizers and chemicals related to the rural economy is expected to show some growth. However, for the time being, caution on most expansions and new investment is evident.

In Eastern India, recent deterioration in maintenance of law and order has had a depressing effect on industrial expansion and in some cases even on maintenance of production levels. In spite of heavy demand for steel, much of the nation's steel capacity has operated at as low as 60% of capacity for limited periods. Prospects for early expansion of capacity in most industries in the Eastern region are very limited.

Price movements mixed

Grain procurement policies of the Government are helping to sustain food prices to the farmer. However, contrary to normal upward seasonal movement of foodgrain prices during the pre-harvest months, the first six months of the current fiscal year reached a peak in late July and moved slightly downward thereafter. The average level for September 1969 was 2.9% below that of the corresponding point in 1968. Marketing of the bumper summer crop is likely to depress agricultural prices materially during the coming months.

The index of wholesale food prices stood at an average level of 243.5 for September 1969 compared with 250.2 for the same month of 1968, but increasing from its seasonal low of 214.6 in February 1969. The index for industrial raw materials for September 1969 averaged 256.2 near its seasonal high as compared with 233.2 for September 1968.

Raw jute prices, however, a major component of this index, declined sharply to an average level of 216.9 for September 1969 compared with 290.0 for September 1968 and a recent high of 347.0 for March 1969. The index for manufactures increased to 178.3 for September 1969 as compared with 169.2 for September 1968.

Overall, these various price movements are reflected in a generally steady price level for the index for "all commodities" averaging 224.9 for September 1969 compared with 221.4 for the same month in 1968.

The Annual Plan for the Indian 1969-70 fiscal year anticipates a growth in national income of 5.5%. Mid-year indications, based on generally favorable agricultural and industrial output levels, indicate that this level of growth for fiscal 1969-70 may possibly be achieved. The latest revised "quick estimates" for IFY 1968-69, however, show an increase of only 1.8% in national income for that year over IFY 1967-68. Estimated per capita income for the same period declined by 0.6%.

For IFY 1969-70, national income prospects are dependent on realization of improved foodgrain production, reasonable price stability for farm products, and continued improvement in industrial production. Overall, achievement of the targeted level of increase in national income remains a possibility.

Following publication in April 1969 of the Government's Fourth Five-Year Plan (1969-74), the Annual Plan for 1968-69 was presented to Parliament in August. For the first year of the plan a total outlay of $3,027 million is planned, of which $773 million is proposed for organized industry and mining.

Heavy emphasis is also given to the development of agriculture and allied programs, transport, communications, and power and irrigation.

Specific objectives for the first year include: An overall growth rate of 5.5% in national income; stabilization of prices near 1968-69 levels; and an increase in exports of 7%.

During the last fiscal year (1968-69) India's improved export performance, conservative import licensing policies, and emphasis on import substitution resulted in a trade deficit which declined to $675 million from $1,147 million in fiscal 1967-68. Foreign exchange reserves increased by $51 million.

India also repaid on schedule $78 million due the International Monetary Fund, thereby increasing its stand-by reserves. Although a decline is projected in India's trade deficit, offsetting this favorable development will be the expected increase in the level of India's international debt service obligations and repayments.

Inter-American Bank loans will aid Brazil and Ecuador

The Inter-American Development Bank has announced the approval of a $30.8 million loan to Brazil and three loans totaling $7.5 million to Ecuador.

The loan to Brazil will help bring electricity to rural areas through the creation or expansion of about 93 electric cooperatives. This program is designed to improve the living conditions of some 425,000 persons by providing power for modern appliances and machinery, for both household and agricultural use.

The total cost of the electrification program is estimated at $63.2 million, of which the Bank loan will provide 48.7%, the Government of Brazil 28%, and the cooperatives the remaining 23.3%.

The three loans to Ecuador will help that country expand its industry, fisheries and tourism, and to establish a Preinvestment Fund. The purpose of the Preinvestment Fund is to carry out development studies aimed at identifying specific projects which would contribute to Ecuador's industrial development.

The loans will finance 53% of the total cost of the programs, estimated at $14,143,000. The remaining 47% will be contributed by local sources.

U.S. is No. 1

During the 1960's the United States has emerged as India's primary trading partner. During Indian Fiscal year (IFY) 1968-69, India was a market for $767 million of U.S. products, according to latest Indian import statistics, and Indian imports from the United States during IFY 1969-70 are expected to be higher.

U.S. suppliers would be well advised to seek out export opportunities not only for AID-financed purchases by India but also those financed out of free foreign exchange. Longer-term export prospects appear favorable; however, results are likely to be proportionate to sustained sales efforts.

New report on India

The new International Marketing Information Service includes a *Country Market Digest* (IMIS 69-10) outlining the 13 specific products with top sales prospects in India.

IMIS reports are available for ten cents apiece from the Sales and Distribution Branch, room 2119, U.S. Department of Commerce, Washington, D.C. 20230, or from any of the Commerce Department's 42 Field Offices.

Business in Netherlands Antilles, slowed by May riots, marks time until formation of new Government

Investment should resume when political crisis is resolved; prospects for coming tourist season are considered excellent

The economy of the Netherlands Antilles appeared to be recovering well from a period of relative stagnation when destructive riots broke out on May 30 in normally serene and stable Willemstad. The annual Economic Trends Report from the American Consulate in Curacao points out that immediate losses through fire and looting are believed to have been on the order of $15 million.

It is difficult to evaluate the long range effects of the disorders. However, there was an obvious drop in the number of tourists on Curacao during the summer months (Aruba, on the other hand, did not seem to be adversely affected) and it is believed that investors, both local and foreign, have held back for the moment though no existing projects are known to have been cancelled.

Competition increasing

If one excepts imports of crude oil from Venezuela, most of which is exported as refined petroleum products, the United States is and has been for some time the principal source of imports into the Netherlands Antilles. In some fields where American products have held a predominant position for years, however, imports from other countries have recently made substantial inroads (e.g., automobiles, high fidelity phonograph equipment, some types of clothing) and the American exporter needs to take energetic action to preserve his share of the market.

Competitive pressures will become greater if the European Common Market is successful in obtaining the preferential tariff treatment it has requested from its associate member. It is not yet known what items would be included in these concessions. On the other hand, there are other areas where American producers can hope to capture a larger share of an existing market or participate in a new expanding one.

Willemstad, Orangestad and Philipsburg are already important centers for sale of goods to visitors and, if tourism increases at the rate anticipated, the merchants of these cities will be looking for more and more new products to tempt them with. Among the lines which seem to be most popular with the tourists, most of whom are from the United States and Venezuela, are: clothing, particularly fashionable resortwear, cameras, watches, jewelry, china and silver articles. Merchants are interested in attractive new luxury items, which often prove very popular.

Good export base

American firms should consider the direct investment potential of the Netherlands Antilles. The central location, associate membership in the Common Market, the readily convertible and stable currency, the free trade zone, and excellent port and airport facilities are factors which could make the establishment of an export manufacturing or assembly industry very worthwhile. The local Government would be particularly receptive to proposals for the manufacture of goods which would combine the possibility of significant import substitution on the local market with export potential.

Anticipated new hotel construction will open markets to suppliers of kitchen, air conditioning and refrigeration equipment, fields already well represented by American firms. Most of the food for the Netherlands Antilles has to be imported and American exporters, having the advantage of proximity, probably could increase their large existing share of sales in this field not only by supplying the expanding market for visitors but also by providing more of the groceries for local consumption, which are already very sophisticated and American oriented. The internal market for clothing and appliances has good potential as well.

Possibilities for sale of industrial products are more dependent on individual expansion or new investment plans which need watching on a case by case basis.

One outcome of the May unrest was the resignation of the then existing Government and the holding of new elections in early September. No party received a majority of the seats in the new Parliament (the former governing party lost two seats for a new total of eleven or exactly half of the deputies) and a coalition Government will be necessary.

At this writing agreement had not yet been reached between the various parties and no Government had yet been formed. In the interim, a cabinet of senior civil servants is in charge. It is experienced and competent but is by its temporary, non-political nature unable to address itself to the long range problems facing the country. Among these are social and labor questions believed to have been the underlying causes of the disturbances of May 30.

Literate, relatively well educated and enjoying one of the highest standards of living in the Caribbean, the labor force of the Netherlands Antilles is one of the most important local assets. However, the high rate of unemployment in this work force, about 20%, is the principal problem currently facing the Netherlands Antilles.

This high ratio of unemployment is a recent phenomenon caused by the movement towards automation in the oil refineries on Curacao and Aruba. Fifteen years ago the petroleum industry, which has been the mainstay of the local economy since the 1920's, employed 20,000 workers. Today there are less than 9,000 working in the industry, which, however, remains the most important on the islands.

The creation of new jobs for the presently unemployed and the school age children who will soon enter the labor market has been and will continue to be the principal local concern.

Intensive investment effort

The Government has made an intensive effort to encourage industrial investments which will create jobs for Antillians. Assisted by loans from the Netherlands and the Common Market, a number of projects to improve the infrastructure of the islands, and thereby make them more attractive for industrial development, are being undertaken.

The harbor at Willemstad is being expanded and deepened; the airport on Aruba is being lengthened and improved; the water desalinization plants on Curacao and Aruba are being expanded and one is being built on Saint Martin; work on the bridge over the entrance to the

harbor which divides Willemstad into two parts has been resumed; and a number of smaller projects, including programs to increase electricity power generating capacity and improve communications, are under way.

Since the loans for most of these projects are tied to European suppliers, American companies do not often have the opportunity of participating directly. However, these improvements make the Antilles more attractive to private investment from which American firms can benefit. The Government is also prepared to grant substantial tax and customs advantages in order to encourage investment in the Netherlands Antilles.

Among the companies which have recently taken advantage of these benefits are: Texas Instruments, which now has 1,600 employees at its electronic components assembly plant on Curacao; The Curacao Drydock Co., which has started the construction of a new drydock large enough for ships of up to 120,000 tons; The International Salt Company, which expects to begin exporting salt obtained from evaporating sea water on Bonaire by next year; the Aruba Chemical Industries, an ESSO subsidiary, which is increasing its capacity for the production of fertilizers and other chemicals; and a number of hotel companies.

Tourism climbs

Tourism has been by far the fastest growing industry on the islands. During 1967 there were for the first time more than 100,000 tourists who stayed in the Netherlands Antilles for at least 24 hours. Statistics for 1968 are not yet available but it is estimated that the number of visitors increased by at least 30%.

Visits by cruise ship passengers, whose shopping is of such importance to the merchants of Willemstad, Oranjestad and Philipsburg, are increasing at a similar rate. The disturbances of last May caused a sharp drop in the number of visitors to Curacao during the summer months (they seemed to have had little or no effect on the other islands) but bookings at the hotels for the coming winter season are excellent and more cruise ships than ever before are calling at Antillian ports.

Facilities are being expanded to accommodate this rising influx. Two new hotels were opened in Aruba during the past year and new hotels are under construction on Curacao and Saint Martin. In addition, the Curacao Inter-Continental is adding a wing which will double its capacity. There are a number of plans for other hotels under consideration and many of them appear likely to be realized.

Ethiopian business community more optimistic in recent months, though economic pressures persist

Higher coffee prices, favorable crop outlook, strengthening government-business relations combine to restore confidence

Although serious basic pressures on the Ethiopian economy persist, the overall mood of the business community has tended toward an increased optimism over the past few months. The prospect of higher coffee prices, a favorable crop outlook, and moves toward strengthening of government-business relations have combined to restore the business confidence that had faltered during the early months of 1969. This is the verdict of the Economic Trends Report from the U.S. Embassy in Addis Ababa.

The basic problems remain, however. Severely limited budget resources, increasing pressure, over the long run, on the country's balance of payments, the small size of the internal market, the limited tax base, continued overwhelming dependence on a single export commodity (coffee), and inadequacy of economic and financial infrastructure are obstacles that will not be surmounted overnight.

On the brighter side, Ethiopia has initiated new measures to mobilize the capital that is available, and there is promise of modest increased earnings of foreign exchange over the medium term through an expansion of tourism; upgrading, increasing, and diversifying agricultural exports; and, hopefully, over the longer term, a substantial increase in foreign exchange earnings through the exploitation of mineral deposits and growth of commercial agriculture.

Seek export industries

For the foreseeable future, the most profitable sales and investment opportunities in Ethiopia will tend to be those that help to increase export earnings through development of the potentials listed above; there will continue to be a demand for a range of goods and services that enable the country to make maximum use of its scarce trained manpower: especially business machines, hospital equipment, agricultural processing equipment, and instructional items.

Ethiopia has recently received, or expects to receive, foreign assistance for a number of development projects, many of which should offer opportunities for the sale of American commodities or services. The following projects are open to U.S. bidders, either exclusively or in competition with bidders from other countries:

Finchaa Dam and hydroelectric installation ($28 million from the World Bank). Bids have been received for primary construction and supply of major equipment items. Awards were to be announced in November. Inquiries to Ethiopian Electric Light and Power Authority, P.O. Box 1233, Addis Ababa.

Airport improvement, Addis Ababa and Asmara ($10 million for runway repair and extension, and navigational aids from the U.S. Agency for International Development [AID]). Bidders submitted prequalification documents in October. Bids are to be opened in January; awards to be made in February/March. Inquiries to Civil Aviation Administration, P.O. Box 978, Addis Ababa.

Highway construction ($29 million, combination of World Bank. International Development Association, and Swedish loans, but all open to international bidding). Prime contracts have been awarded to Dr. Ing. Trapp (German), Impresit (Italian), and Skanska (Swedish). Equipment and materials are still to be purchased. Inquiries to Imperial Highway Authority, P.O. Box 1770, Addis Ababa.

Telecommunications extension and improvement (including an Addis Ababa-Asmara microwave link—$9 million from the World Bank). Tenders to be invited about December. Inquiries to Imperial Board of Telecommunications of Ethiopia, P.O. Box 1047, Addis Ababa.

Water and sewage disposal facilities for Addis Ababa (study contract in the amount of $77,000 has been awarded; amount and timing of main contract not yet definite; source of funds, World

Bank). Inquiries to Deputy Chief Engineer, Municipality of Addis Ababa, P.O. Box 356, Addis Ababa.

Despite the limited size of the market, attractive opportunities for American sales and investments exist. The most promising opportunities for both sales and investment in the short run tend to concentrate in the agricultural area. There is a strong demand for facilities that will increase and diversify agricultural production, and improve the quality of the final product. Facilities and equipment for washing coffee, for example, are an especially popular area for investment at the moment. Sales opportunities exist in lines such as office machinery and educational materials, that will enable the country to upgrade its human resources, and to make maximum use of the scarce supply of trained manpower that does exist.

Prices on upswing

The coffee season ended on a note of rising prices, with a supplementary quota allotment larger than the coffee trade's ability to supply. This happy circumstance, plus the widespread conviction that prices will stay high throughout the coming year, has given the business community a feeling of optimism, masking the persistent underlying weaknesses in the Ethiopian economy.

The weaknesses, however, should not be ignored. The country's economic structure is characterized by a subsistence sector which is vast in relation to the relatively small monetized sector. Second, there are differences of opinion, both public and official, on the proper rate and direction of the country's economic growth. These plus the other obstacles to growth listed above that Ethiopia shares with many other developing countries, are factors that the American businessman must keep in mind in order to maintain a proper sense of perspective. They do not, however, negate the real long term potential for agriculturally-oriented investment in Ethiopia.

New financing methods studied

In response to recommendations by the International Monetary Fund, the Ethiopian Government has passed legislation enabling the Government to borrow increased amounts from the National Bank of Ethiopia. As a further means of expanding credit, $12 million worth of 93-day Treasury Bills have been sold since May 1. There has been no difficulty in obtaining short-term financing through this technique; the offerings have attracted more buyers than could be accommodated.

At the same time, relations between the Ethiopian business sector and the Imperial Ethiopian Government have shown some improvement, largely due to the enhanced role being played by the Addis Ababa Chamber of Commerce.

Ethiopia, in reaffirmation of its traditional welcome to foreign investment, is preparing, in consultation with the Chamber of Commerce, a new Investment Proclamation. When promulgated, this document will redefine the benefits available to new investments in Ethiopia. It is expected that these benefits will be significantly more liberal than those offered previously. It is possible that the Proclamation will enter into force by the end of 1969, although Parliamentary approval may take longer.

To improve Ethiopia's investment climate still further, the establishment of an Investment Promotion Center is under consideration. It would serve prospective investors by providing comprehensive and authoritative investment information that now must be gathered piecemeal from a number of ministries and other agencies.

With coffee exports limited in quantity by the International Coffee Agreement, if not by domestic availability, Ethiopia recognizes that any increase in foreign exchange earnings from coffee can best be achieved through improvements in quality. In an effort to capitalize on the higher world market prices for washed coffee, several growers and traders are installing washing facilities. Although at present only 5% of the country's coffee exports are of washed quality, it is expected that the shift to washing will continue as far as market opportunities will permit.

Severe transport problems

With severe internal transportation problems, Ethiopia has difficulty in responding to unexpected coffee quota increases. This difficulty was particularly apparent in September, when an increased allotment caught Ethiopia without coffee stocks in the central part of the country, and seasonal floods had, as usual, made transportation from the coffee-growing areas to the south difficult or impossible.

In spite of efforts, such as reduction of coffee export taxes, that were made to accelerate end-of-season deliveries, Ethiopia did not fill her quota of coffee exports this year—preliminary estimates indicate that the shortfall may be as great as 10,000 tons, over 10% of the increased quota. The National Coffee Board of Ethiopia, keenly aware of the national loss that results from failure to fill the quota, is anxiously exploring the possibility of establishing buffer stocks near transport facilities, which could be drawn upon to meet emergency export needs. So far, however, the Board has found no way to surmount the formidable obstacles, including the cost of financing, that stand in the way of such a plan.

The Government has seized upon tourism as one of the most easily developed potential earners of foreign exchange. Ethiopia's natural beauty and wildlife rank it very high in tourist potential, and some of her historic monuments, such as the rockcut churches at Lalibela are unique. This potential, however, has largely been unexploited.

Although the capital of Addis Ababa is adequately supplied with hotel accommodations, including the recently opened Hilton Hotel, accommodations at some of the more important potential tourist attractions are not up to international standards. Owing to this lack, the Ethiopian Government welcomes investment in tourist facilities. One U.S.-owned company plans to erect hotels at several scenic and historic spots; information on other investment and trade opportunities can be obtained from the Vice Minister of Tourism, P.O. Box 1364, Addis Ababa.

Another development that will improve tourist services is the planned improvement of the international airports in Asmara and Addis Ababa. With the assistance of an AID loan, these airports will be equipped for night landing and takeoff, enabling improved scheduling for passengers from Europe, and encouraging stops by more airlines now flying between European cities and other parts of Africa.

For more details

For more detailed information on investment opportunities and climate in Ethiopia, U.S. businessmen are invited to contact:

The Director, Office of International Investment, or the Director, Office of International Regional Economics, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230;

The Director, African Bureau, Office of Private Enterprise, Agency for International Development, Washington, D.C. 20523;

The Economic Counselor-Director, USAID Mission, American Embassy, APO New York, N.Y. 09319; or

The General Manager, Ethiopian Investment Corp. Share Co., P.O. Box 2004, Addis Ababa, Ethiopia.

GATT says world trade grew by record amount during 1968

Another exceptionally strong gain seen for 1969, with cooling possible in 1970; developing countries make sharpest gains

The 12% rise in the volume of world trade during 1968 may be an all-time high, according to the General Agreement on Tariffs and Trade, and the gain in 1969 may be almost as large. However, the GATT predicts that an anticipated cooling-off in the world business climate probably will be reflected in slower trade growth in 1970.

All of the economies which slowed down during the 1967 recessions recovered during 1968, according to the GATT's annual report on international trade. The report goes on to say that with economic activity generally at or near full-capacity levels, world trade expanded by 11% to $238 billion, a rate previously attained only in 1951, 1956 and 1964. On all three previous occasions, however, the expansion was in part due to rising prices, whereas for 1968 the general level of export prices or unit values was approximately one percentage point below the preceding year.

The resulting 12% increase in the volume of world trade registered in 1968 represents a post-war, and possibly an all-time, record, the GATT says.

The continued strength of economic growth in the industrial areas has generated a further strong expansion of international trade. Preliminary information suggests that the value of world trade in the first six months of 1969 recorded an increase of 13-14% over the corresponding months of 1968.

Unprecedented expansion

As the last absolute decline of world trade had occurred in 1958, a decade of uninterrupted growth was thus completed in 1968; in its course, world trade more than doubled in value, having grown from $107 billion in 1958 to $238 billion, or at an average annual rate of 8.3%. In volume, the growth of world trade averaged 7.7% in this period, the near equality of the two rates bearing witness to a remarkable stability of export prices in a period generally characterized by mild but persistent and widespread inflation. This stability did not exclude significant movements in community prices, but even these swings were within narrower limits than in the past decade. A period of uninterrupted expansion of this length and amplitude is without a precedent in the history of international commerce as far as reliable statistics can document it.

Nine tenths of the 1968 increment in world trade was due to expansion of trade in manufactured products. Recording an increase of 14.4% these exports attained the level of $151 billion and their share in world trade, which had been less than half until 1963, rose further to 63%. Industrial areas account for four fifths of world exports of these products; it is noteworthy, however, that in 1968, as in the preceding years since 1963, the expansion of manufactured exports from developing countries was more rapid than that of world trade in these products.

Exports from developing countries grew even faster than that of the developed nations during the 1960s.

This is due to two factors. The more significant one at present is the growing demand of industrial countries for petroleum and certain raw materials. The second factor, the full importance of which is only gradually becoming apparent, is the rapid growth of manufactured exports from the developing countries, again predominantly directed to industrial areas.

On the basis of very fragmentary and preliminary information, it can be estimated that exports from the developing countries showed a significant gain in the first half of 1969, benefiting from the high level of economic activity in the industrial areas and favorable prices on the whole. The rate of increase over the corresponding period of 1968 was probably similar to the accelerated pace of 9% witnessed between 1967 and 1968, according to GATT.

Prospects for the rest of 1969 were that international trade will show an exceptionally strong increase for the second consecutive year. The momentum gained in the first half of the year seems sufficient to ensure an expansion in the value of trade of at least 10% in 1969. For the industrial areas, recent forecasts point to an export growth of 12%, a rate very close to that achieved in 1968. The generally anticipated cooling-off of the world business climate led by the United States seems more likely to have an impact on the growth of world trade in 1970.

International Trade, 1968 is available in French or English from the GATT Secretariat, Villa Le Bocage, Palais des Nations, 1211 Geneva 10, for $5 (Sales No. GATT/1969-4).

Chile to build industrial free zone at northern port

Plans are underway for the construction of an industrial free zone in Chile's northern port city of Iquique. The target date for completion of the facility is late June. An exposition will be held in January for the purpose of promoting the industrial warehouse concept.

Iquique will be Chile's first industrial free zone, since none of the other free ports of Punta Arenas, Castro, Aisen and Arica permit the duty-free entry of industrial and consumer goods except foodstuffs.

The Iquique free zone will be permitted to use foreign exchange for the purchase of industrial goods necessary for the continued development of local industry. Such purchases will not require import licenses and will not be subject to customs duties.

These import privileges will also be applied to the port cities of Pisagua, Tocopilla, Taltal, and Chanaral, but only Iquique will have an industrial free zone.

Iran drops prior approval regulation on some imports

The Iranian Ministry of Economy has issued notices listing several items, including air and oil filters for combustion engines, which are now importable without prior approval. Also included was coarse hair and thread of artificial silk (pure or mixed) excluding synthetic fibers from nylons and all types of stretched nylons.

The importer must confirm in the registration forms and applications for letter of credit that the goods under order are not varieties of nylon and stretched nylon. Import of these fibers still depends on prior approval of the Ministry of Economy.

Four British firms seeking licenses to make U.S. goods

Want to produce non-ferrous items, hoisting chains, heavy equipment, handling and packaging products

Four British firms have indicated an interest in obtaining licenses to produce the following types of U.S. goods: parts or finished products using non-ferrous diecastings; chain for five, ten and twenty cwt. capacity electric hoists; heavy equipment complimentary to the mining industry, and materials handling and packaging equipment.

A company currently manufacturing aluminum bronze gravity diecastings, aluminum and pressure diecastings (high and low) and non-ferrous sand castings is interested in a license from an American company to manufacture component parts in non-ferrous metals or finished products using non-ferrous diecastings. The firm is a member of the Cammell Laird Group and has an annual sales volume of $4 million.

Write: Aluminium Bronze Co. Ltd., Wallows Lane, Walsall, Staffordshire, England. WTD. **P-70331.**

A license or similar arrangement to manufacture electric chain hoisting units of 5, 10 and 20 cwt. capacity is sought by a producer of overhead electric cranes. The firm is also interested in the production of electric wire rope hoisting units with 2, 3 and 5 ton capacity.

Write: Street Crane Co. Ltd., Town End Works, Chapel-en-le-Frith, Via Stockport, Derbyshire, England. WTD. **P-70321.**

A well established fabricator of heavy equipment for the mining industry seeks licenses to make machinery complimentary to its present capabilities. The firm has good facilities for gas and electric welding and heavy fabrication. It operates a machine shop containing a full range of milling, slotting, shaping, drilling and turning machinery.

Write: Wantage Engineering Co. Ltd., Wantage, Berkshire, England. WTD. **P-70327.**

A manufacturer of industrial washing machines, coolant clarification systems and automated component handling equipment seeks licenses. The firm is interested in the production of effluent treatment equipment, bottle washing and filling machinery, materials handling equipment, food processing machinery and general filling and packaging equipment.

The company currently markets its machinery to the automotive and machine tool industries.

Write: Blakell Industrial Plant Ltd., The Square, Milborne St. Andrew, Nr. Blandford, Dorset, England. WTD. **P-70325.**

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

Taiwan firm wants joint venture with U.S. partner to make electronic items

A four-year old Taiwan firm, engaged primarily in manufacturing high speed rotary letter presses has expanded into the electronics field and has set up production lines for semiconductors, printed circuit boards, and ceramic capacitors. It is now interested in adding TV tuners, resistors, and rectifiers to its product lines and would like to discuss some form of cooperation with any interested and qualified American firm.

The firm envisages a total investment of $500,000 in this project. It seeks machinery, equipment, and technical know-how from the U.S. partner and proposes to contribute facilities, labor, raw materials, and management. Since 95% of its present production is exported, the firm believes it has the marketing organization necessary to successfully export the new product lines. However, the firm says it also feels that there is some potential for domestic sales.

Write: Chu Ai-Ti, President, Hong Hua Machinery Works, Ltd., 46 Yakiang St., Taipei, Taiwan. WTD. **P-70332.**

Yugoslav combine desires U.S. investors for 5,000-bed hotel complex on coast

A large Yugoslav agricultural combine is seeking American investors for a 5,000-bed hotel complex at Przno on the Montenegrin coast. This venture, which is one of the projects envisaged by the United Nations Development Program (UNDP) South Adriatic study, is estimated to cost $20-24 million. A long term credit for $10-12 million has already been secured from the Yugoslav Agricultural Bank for this project.

Write: Mihailo Jankovic, Tourist Director, P.K. Beograd, Padinska Skela, Belgrade, Yugoslavia. **P-70310.**

South African, Australian subsidiaries of U.S. firm seek licenses to expand lines

The South African and Australian subsidiaries of a major U.S. company seek to diversify their operations through licenses. The firms are interested in the production of heavy equipment, outside of their present range of mining machinery, for the construction and mining industries.

Write: Joy Manufacturing Co. (Africa) Pty. Ltd., 1-3 Steele St., P.O. Box 4070, Johannesburg, South Africa and/or Joy Manufacturing Co. (Australia) Pty. Ltd., 78-86 Kent Road, P.O. Box 120, Mascot, New South Wales, Australia. **P-70326.**

SHAPE issues tenders for power supplies; bid deadline in January

Tender No. 69-16 PS/MEB for the supply of telegraph power supplies has been issued by the Supreme Headquarters Allied Powers Europe (SHAPE) B-7010 Belgium. The bid deadline is January 6.

Bids should offer 12 telegraph power supplies with AC input of 110/220 volts, 45 to 65 Hz, 500 watt maximum, and D.C. output plus and minus 60 volts 2 amperes minimum. Only U.S. firms certified by the U.S. Department of Commerce are eligible to bid on NATO Projects. Interested U.S. companies may contact the International Liaison & Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230.

Copies of the tender announcement and specifications are available from the Purchasing and Contracting Office, ACE Communications Electronics Equipment, Communications and Electronics Division Shape B-7010 Belgium, or on a short-term loan basis to firms located in the U.S. from the Communications-Electronics Division, BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-4823).

Telemetry system sought by NATO in Italy

The NATO Saclant ASW Research Center, La Spezia, Italy, has issued Tender No. AC/10166/ for the construction of a telemetry system. The bid deadline is December 31.

Bids should offer a system conforming to Mil Specs to be installed onboard ships or a buoy. Only U.S. firms certified by the U.S. Department of Commerce are eligible to bid on NATO Projects. Interested U.S. companies may contact the International Liaison & Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230.

Copies of the tender announcement and specifications are available from the NATO Saclant ASW Research Center, Viale San Bartolomeo 92, La Spezia, Italy or on a short-term loan basis to firms located in the U.S. from the Communications-Electronics Division, BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-4823).

Yugoslavia seeks bidders for 38 mile section of highway

Bidding will open January 21, 1970 for construction of a four-lane highway between Zagreb and Karlovac, about 38 miles to the south. Financing for this project is partly through funds provided on loan by the World Bank and bidding will be open to foreign firms.

Additional information may be obtained from the Republic Road Fund, Zagreb, Jurisiceva 1, Yugoslavia.

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. The three-digit numbers and commodity classifications are from the Standard Industrial Classification (SIC) Manual. The five-digit numbers under each heading are from the Numerical List of Manufactured Products, 1967 Census of Manufacturers, Bureau of the Census and are used extensively by government and industry in classifying products.

U.S. firms should also be aware that the listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the *Department of Commerce Export Control Regulations* or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

NOTE: The SIC Manual is available for $4.50; The Numerical List of Manufactured Products (MC67-1) for $1.75 and the Export Control Regulations are priced at $12 a year. These publications may be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or any of the 42 Department of Commerce Field Offices throughout the United States.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

223 Broad woven fabric mills, wool

22319—AUSTRALIA—Babies' blankets and rugs, specifically crib-size, gift-boxed, made of wool and chiefly wool combinations. Kiddies Pty. Ltd. (importer, distributor, agent), 17 Chuter St., P.O. Box 467, North Sydney, Sydney, N.S.W. 2060. WTD 9/69

225 Knitting mills, products

22530—NETHERLANDS—Men's and boys' knit outerwear. HIJ Herenmode N.V., attn.: Mr. K. G. Drontman (importer, retailer), 165 Hogeweyselaan, Weesp. WTD 11/69.

229 Cotton waste

● **22900 — REPUBLIC OF KOREA** — 67,092 net lbs. of cotton waste (combing). Bids to be mailed to the Office of Supply, Government of the Republic of Korea, Seoul, Korea. The closing date for bids is December 23, 1969. Tender documents are available from the Office of Textiles, Room 5026, Department of Commerce, Washington, D.C. ★(202-967-5238).

238 Apparel, accessories

23871 — NETHERLANDS — Leather waist belting for men, boys. HIJ Herenmode N.V. Attn.: Mr. D. R. van Es (importer, retailer), 165 Hogeweyselaan, Weesp. WTD 11/69.

239 Fabricated textile products

23926—AUSTRALIA—Babies' blankets and rugs, specifically gift-boxed, made of nylon and rayon, thermal nylon and rayon, thermal cotton and acrylic. Kiddies Pty. Ltd. (importer, distributor, agent), 17 Chuter St., P.O. Box 467, North Sydney, Sydney, N.S.W. 2060. WTD 9/69.

243 Millwork, veneer, plywood, prefabricated structural wood products

24324—NEW ZEALAND—Overlay materials, namely decorative veneers of synthetic material for use on plywood base; particularly interested in overlays of imitation wood grains. Information sought about materials available; technical assistance required. Prepared to consider joint venture. Bond & Rundle Ltd. (manufacturer), Bidois Rd., P.O. Box 400, Rotorua. WTD in preparation.

253 Public building, related furniture

25311—TANZANIA—All types of school furniture. Requests catalogs, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

25312—TANZANIA—Library furniture. Requests catalogs, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

264 Converted paper, paperboard products

26451—TANZANIA—Office supplies (filing accessories), miscellaneous office requirements. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

26491 — TANZANIA — Complete range of commercial stationery. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

272 Periodicals: publishing, publishing & printing

27210—TANZANIA—Educational periodicals. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

273 Books

27310 — TANZANIA — Educational text books. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

275 General commercial printing

27526 — TANZANIA — School atlases. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

278 Bookbinding industries

27820—TANZANIA—Blankbooks, loose-leaf binders and devices, similar commercial requirements. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

281 Industrial chemicals

28199—JAPAN—Additives for plastics such as antioxidant, flame retardant, ultraviolet absorber, anti-static agent. Nikka Chemical Ind. Co., Ltd. (manufacturer), 23 Bunkyo 4-chome, Fukui. WTD 11/69.

283 Drugs

28315 — COLOMBIA — Biological products for veterinary use. Descriptive literature, price lists requested. Compania Colombiana de Inversiones Agricolas Ltda., Colinagro (importer, distributor, agent), Avenida Jimenez No. 8-74—Apartado Aereo 4671, Bogota. WTD 11/69.

301 Tires, tubes

● **30100—BURMA**—Bids are requested by the Myanma Export Import Corp. (Import Div.) for over 13,000 sets of tires, tubes and flaps of various sizes. Bids are due on or before Jan. 31, by 4 p.m. to the Chairman, Road Transport Board, 375 Bogyoke Aung San St., Rangoon. Tenders are available on loan basis from the Chemicals Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-3381). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Office Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

306 Fabricated rubber products

30698 — TANZANIA — Stationers' sundries. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

316 Luggage

31610—TANZANIA—School bags. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

329 Abrasive, asbestos, nonmetallic mineral products

32962—NETHERLANDS—Noise insulation for rooms. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

335 Rolling, drawing, extruding of nonferrous metals

● **33500—BURMA**—Supply of bare copper wires of various sizes. Tender No. 202/T/EL/PWC/69-70; bid deadline Jan. 5. Contact Vice Chairman, Public Works Corp., No. 60, Shwedagon Pagoda Road, Rangoon, Burma. Copies of tender available on a loan basis from the Copper Division, BDSA, Washington, D.C. 20230 ★(202-967-3883).

● **33500—PAKISTAN**—Supply of telephone junction and local distribution cables and drop-wire. Tender No. Pur. 3/6/730; bid deadline Jan. 15. Contact M. N. A. Kirmani, Divisional Engineer (Purchase), T & T Directorate General, Government of Pakistan, Block No. 12, Room No. 3, Frere Road, Karachi.

33525—SPAIN—Extruded aluminum rod, bar, other extruded shapes. Luis Martin Zamorano (Aluminio Roxy) (manufacturer), P.O. Box 573, Santa Cruz de Tenerife. WTD 10/69.

343 Heating apparatus, plumbing fixtures

34336—NETHERLANDS—Industrial and institutional incinerators. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

344 Fabricated structural metal products

34411—SPAIN—Aluminum fabricated structural parts for buildings. Luis Martin Zamorano (Aluminio Roxy) (manufacturer), P.O. Box 573, Santa Cruz de Tenerife. WTD 10/69.

34421 — SPAIN — Aluminum doors. Luis Martin Zamorano (Aluminio Roxy) (manufacturer), P.O. Box 573, Santa Cruz de Tenerife. WTD 10/69.

34422 — SPAIN — Aluminum window sash and frames. Luis Martin Zamorano (Aluminio Roxy) (manufacturer), P.O. Box 573, Santa Cruz de Tenerife. WTD 10/69.

34431—NETHERLANDS—Industrial heat exchangers. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

351 Engines, turbines

35195—NETHERLANDS—Outboard diesel motors, 10-20 hp and 2,000 rpm. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

352 Farm machinery

● **35200—MALAWI**—3,000 sprayers, backpack, lever-operated, for cotton. Tender No. 833, bid deadline Jan. 2. Secretary, Malawi Government Tender Board, P.O. Box 588, Blantyre. Copies of specifications are available on a short term loan basis from the General Industrial Equipment Division, BDSA-647, U.S. Dept. of Commerce, Washington, D.C. 20230 ★(202-967-5585).

35220 — NETHERLANDS — Grass mowing machines, gardening tools. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

353 Construction, mining, materials handling machinery, equipment

● **35300—BURMA**—2 self contained, petrol driven, motor drill and breaker. The unit to be offered in a moisture-resistant plywood transport box containing a set of spare parts. Tender

No. 17/90; bid deadline Dec. 31. Requested by the Director-General, Mineral Development Corp., Rangoon. Terms and specifications are available on a loan basis to firms located in the U.S. from the General Industrial Equipment Division, BDSA-647, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-5566). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

● **35300—BURMA**—Mining equipment, including: one Helman scrape hauler, type Holman HWB; one lot of rock drills, BBE 51; one under carriage, BVB71; four sets of oxyacetylene welding and cutting tools; one vertical type tin ore dryer; fifteen rail wagons, mine cars, 24″ track gage; twenty 400 volt motors; five voltage transformers, single phase KVA-20; one concrete mixer, hand fed, capacity 3 cu. ft., one water pump complete with AC motor; one Grimston electric drilling machine, bench type. Tender No. 120/90; bid deadline Dec. 31. Requested by the Director-General, Mineral Development Corp., Rangoon. Terms and specifications are available on a loan basis to firms located in the U.S. from the General Industrial Equipment Division, BDSA-647, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-5566). A review copy will also be available at the Dept. of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

● **35300—GREECE**—Supply of 10 diesel powered fork lift trucks, 6,000 lb. capacity; and six, 10,000 lb. fork lift trucks. Tender No. 479; bid deadline Dec. 20. Ministry of National Defense, Army Command, A.E.P.Y.S., 60 Kolokotroni St., Athens. Specifications are available from the General Industrial Equipment Division, BDSA-647, U.S. Dept. of Commerce, Washington, D.C. 20230 ★(202-967-5585).

35310—NETHERLANDS—Excavating machines and asphalt making machinery. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

354 Metalworking machinery

35418 — AUSTRALIA — Metal-cutting machinery: specifically machines which cut aluminum and stainless steel by means of laser beams. McNamee Industries Pty. Ltd. (Attn.: K. Ericksson) (importer, distributor, retailer), 4 Hope St., P.O. Box 145, Ermington, Sydney, N.S.W. 2115. WTD 7/69.

355 Special industry machinery

35513—PAKISTAN—Complete sugar plant with a crushing capacity of 2,000 ton per day of cane sugar. Firm requests catalogs, quotations, C. & F., Karachi. Specifications available from Trade Opportunities Staff, BDSA-541, Rm. 4053, U.S. Dept. of Commerce. Washington, D.C. 20230. National Sugar Mills (importer), Amin Ahmed (Modern Motors), Victoria Road, Post Box No. 7151, Karachi. WTD in preparation.

356 General industrial equipment

● **35600—BURMA**—Various equipment including: carpenter's tool set; portable belt sander kit; portable pipe bending machine, pipe cleaning equipment; fire extinguishers, water pumps of various capacities; spray painting outfit, etc. Tender No. 121 CO/121-1-90; bid deadline Dec. 31. Director-General, Mineral Development Corp., Rangoon. Specifications are available on a short term loan basis from the General Industrial Equipment Division, BDSA-647, U.S. Dept. of Commerce, Washington, D.C. 20230 ★(202-967-5585).

● 4 duplex mud pumps, 250 to 300 psi, discharge 95 gpm of mud, suction 2″, discharge 1¼″; and 3 lighting generators, 4 to 5 KVA, powered by diesel engine. Tender Number 123/90; bid deadline Dec. 31. Director-General, Mineral Development Corporation, Rangoon. Copies of specifications are available on a short term loan basis from the General Industrial Equipment Division, BDSA-647, U.S. Dept. of Commerce, Washington, D.C. 20230 ★(202-967-5585).

● **35600—PAKISTAN**—Supply and erection of a complete fire fighting pumping plant and hydrants. Bid deadline Jan. 24. Chief Mechanical Engineer, Karachi Port Trust, Berth No. 7, Keamari, Karachi. Specifications are available on a short term loan basis from the General Industrial Equipment Division, BDSA-647, U.S. Dept. of Commerce, Washington, D.C. 20230 ★(202-967-5585).

35611 — NETHERLANDS — Heavy pumps for chemical industry, maritime applications. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

35642 — NETHERLANDS — Industrial exhaust fumes purifiers for CO and industrial air conditioning systems. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

35660—NETHERLANDS—Industrial power transmission equipment for small and heavy-duty motors and machines. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

35690 — JAPAN — Water pollution control equipment. Seiwa Trading Co., Ltd. (importer, distributor, exporter), 23, 1-chome, Takaba-cho, Nakamura-ku, Nagoya. WTD 4/69.

357 Office, computing, accounting machines

35733 — NETHERLANDS — Computer peripheral equipment. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

35741—AUSTRALIA—Business equipment, including calculating, accounting and adding machines, cash registers. Braddox Pty. Ltd. (Trading as R. & D. Stott) (distributor, retailer). 23 Chandos St.. St Leonards, Sydney, N.S.W. 2065. WTD 9/69.

35791—AUSTRALIA—Office machines, specifically addressing, dictating, duplicating, other office, store machines. Braddox Pty. Ltd. (Trading as R. & D. Stott) (distributor, retailer), 23 Chandos St., St. Leonards, Sydney, N.S.W. 2065. WTD 9/69.

361 Electrical transmission, distribution equipment

● **36100 — THAILAND** — Supply approximately 155,000 various size single tap, compression type connectors, suitable for both copper to aluminum and aluminum to aluminum connection. Tender No. MEA-PSD-176; bid deadline Jan. 16. Purchase & Stores Dept. Metropolitan Electricity Authority, Bangkok, Thailand. Specifications available from the Power & Electrical Equipment Division, BDSA, Room 4124, Department of Commerce 20230 ★(202-967-4241). A review copy will also be available from the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

36111—NETHERLANDS—Industrial and medical electronic measuring devices. Exclusive representations requested for Common Market countries. Koopman & Co. Technische Handelmaatschappij N.V. (Attn.: Mr. F. R. A. Bouwman) (importer, distributor, agent), 6 Stadhouderskade, P.O. Box 6040, Amsterdam. WTD 3/69.

364 Electric lighting, wiring equipment

36421—JAPAN—Residential type electric fixtures such as chandeliers, pendant lamps, floor lamps. Seiwa Trading Co., Ltd. (importer, distributor, exporter), 23, 1-chome, Takaba-cho, Nakamura-ku, Nagoya. WTD 4/69.

365 Radio, television receiving sets

36515 — AUSTRALIA — Cutting stylus for Westrex 3D model Stereodisk Recorder. Ranger Recordings (importer, manufacturer), 82 Chelmsford Ave., P.O. Box 49, Epping, Sydney, N.S.W. 2121. WTD 9/69.

369 Electrical machinery, equipment, supplies

● **36900—BURMA**—Supply of spares for x-ray and scales counter and other instruments. Tender No. 105/90; bid deadline Dec. 31. Requested by the Director-General, Mineral Development Corp., Rangoon, Burma. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

372 Aircraft, parts

37291 — BRAZIL — Aviation equipment for airlines, fixed based operators, business aviation, repair shops. Direct purchase and agency. Aero Pecas Ltda. (importer, agent, retailer), Av. Pres. Antonio Carlos, 54 conj. 802 ZC-39, Rio de Janeiro GB. WTD 9/69.

381 Engineering, laboratory, scientific, research instruments

38112—TANZANIA—Laboratory and scientific instruments for educational institutions. Requests catalogs, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

384 Surgical, medical, dental instruments

● **38400—CHILE**—Supply of 470 items in

various quantities of dental instruments, equipment, and supplies for use in dental laboratories. Tender No. 24; bid deadline Jan. 9. Tender documents in Spanish and correspondence is preferred in Spanish. Requested by Direccion de Aprovisionamiento del Estado, Amunategui #66, Casilla (P.O.B.) 24-D, Santiago, Chile. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

386 Photographic equipment

● **38600 — BURMA** — Supply of sensitized photographic paper and materials including single weight paper; autopositive paper; thermo-fax paper; ammonax paper; tracing paper; ink; tungsten lamps; spectrographic plates; silk screen carriers; ozalith paper; copying machine belts and cleaner, etc. Tender No. 132/90; bid deadline Dec. 31. Requested by the Director-General, Mineral Development Corp., Rangoon, Burma. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 ★(415-556-5868).

394 Toys, amusement, sporting goods

39492 — JAPAN — Golf equipment. Seiwa Trading Co., Ltd. (importer, distributor, exporter), 23, 1-chome, Takaba-cho, Nakamura-ku, Nagoya. WTD 4/69.

39492—TANZANIA—Sporting and athletic goods for schools, colleges. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

395 Pens, pencils, office, artists' materials

39590—TANZANIA—Pens, pencils, other office, artists' materials. Requests catalogs, samples, c.i.f. price lists urgently by air mail. Tanzania Elimu Supplies Ltd. (importer, distributor, agent), P.O. Box 20873, Dar es Salaam. WTD in preparation.

396 Costume jewelry, novelties, buttons, notions

39610—NETHERLANDS — Men's costume jewelry and notions. HIJ Herenmode N.V. Attn.: Mr. D. R. van Es (importer, retailer), 165 Hogeweyselaan, Weesp. WTD 11/69.

509 Wholesalers

50930—TAIWAN—Aluminum, copper, lead scrap. China Commerce Corp. (importer, agent), P.O. Box 223, Kaohsiung. WTD in preparation.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

209 Food preparations

20921 — PAKISTAN — Soybean oil. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, GPO Box No. 40, Chittagong. WTD 11/69.

20994—PAKISTAN—Baking powder, yeast. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69.

222 Broad woven fabric mills, manmade fiber, silk

22211—ISRAEL—One hundred percent filament rayon and/or acetate fabrics, including combinations all kinds; piece-goods. G. & G. Foreign Trade Co., Ltd. (importer, agent, exporter), Shalom Bldg., 9 Ahad Ha'am St., Tel Aviv, P.O. Box 29239. WTD 5/69.

22217—ISRAEL—Finished cotton fabrics and specialties, plain and printed; piece-goods. G. & G. Foreign Trade Company, Limited (importer, agent, exporter), Shalom Building, 9 Ahad Ha'am Street, Tel Aviv, P.O. Box 29239. WTD 5/69.

228 Yarn, thread mills, products

22821—GERMANY—All kinds of yarns for weaving, knitting mills. Heinrich Heise (importer, distributor, agent), 3500 Kassel 1, Emmerichstr. 2. WTD 11/69.

233 Women's, misses', juniors' outerwear

23393—TANZANIA—Women's, misses', juniors' outerwear, low to medium priced. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

236 Girls', children's, infants' outerwear

23690—TANZANIA—Children's outerwear, low to medium priced. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

264 Converted paper, paperboard products

26411 — HONG KONG — Graphic papers. Gande Price Wines & Spirits Ltd. (importer, distributor, agent, retailer), 238-241 Alexandra House, Ice House St., G.P.O. Box 247. Cable: SPHINX. WTD in preparation.

26431—TANZANIA—Grocers', shopping and variety bags, including cost of printed address. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam 1, Tanzania. WTD in preparation.

281 Industrial chemicals

28163—PAKISTAN—Chrome colors, other inorganic pigments. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69.

28183 — PAKISTAN — Synthetic organic chemicals. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69.

282 Synthetic materials

28214—TAIWAN—DMT, caprolactam, polyester chips. Maritime Engineering Service (importer, agent, engineers), P.O. Box 265, Taipei. WTD in preparation.

28220—FRANCE—Synthetic rubber parts for automobile and aviation industries. SACATEC (Societe du Caoutchouc Moule) (manufacturer), 15 L'hopital-Ydes (Cantal). WTD 11/69.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

28423—GERMANY—Specialty cleaning and sanitation products for household use. Chemische Roth GmbH (agent), Postfach 187, 5427 Bad Ems. WTD 11/69.

28440—TANZANIA—Perfumes, cosmetics, other toilet preparations. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

285 Paints, varnishes, lacquers, enamels

28519—TANZANIA—Aerosol paints: lacquers, enamels, varnishes, primers, etc. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

289 Chemical products

28930—HONG KONG—Printing ink. Gande Price Wines & Spirits Ltd. (importer, distributor, agent, retailer), 238-241 Alexandra House, Ice House St., G.P.O. Box 247. Cable: SPHINX. WTD in preparation.

306 Fabricated rubber products

30690—ISRAEL—Fabricated rubber goods, industrial and mechanical, miscellaneous rubber specialties. G. & G. Foreign Trade Co., Ltd. (importer, agent, exporter), Shalom Bldg., 9 Ahad Ha'am St., Tel Aviv, P.O. Box 29239. WTD 5/69.

30694—TANZANIA—Rubber floor rolls including artificial rubber turf flooring for outdoors, low to medium priced. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

30695—FRANCE—Natural molded rubber parts for automobile, aviation industries. SACATEC (Societe du Caoutchouc Moule) (manufacturer), 15 l'Hopital-Ydes (Cantal). WTD 11/69.

307 Plastic products

30790 — ISRAEL — Miscellaneous plastics products, industrial and commercial. G. &. G. Foreign Trade Co., Ltd. (importer, agent, exporter), Shalom Bldg., 9 Ahad Ha'am St., Tel Aviv, P.O. Box 29239. WTD 5/69.

30793 — TANZANIA — Laminated plastic sheets, including seconds and randoms. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

317 Handbags, other personal leather goods

31720—TANZANIA—Personal leather goods:

travel kits; billfolds, wallets, other personal goods. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

331 Steel mill products

33125 — PAKISTAN — Steel wire. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69

33126—PAKISTAN—Steel pipe and tubes. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69.

33127—PAKISTAN—Cold rolled steel sheet and strip. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69.

33128 — PAKISTAN — Cold finished steel bars, bar shapes. Habib Brothers (Pakistan) (agent), 343 Khatunganj, 2nd Floor, G.P.O. Box No. 40, Chittagong. WTD 11/69.

342 Cutlery, hand tools, general hardware

34293—TANZANIA—Vacuum flasks, insulated picnic chests, portable coolers; low to medium priced. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

34294 — TANZANIA — Builders' hardware, low to medium priced. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

345 Screw machine products

34520—TANZANIA—Steel bolts and nuts: B.S.F., U.N.F., MM, WW, and washers. Quote c.i.f. Dar es Salaam. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

352 Farm machinery

35220—SPAIN—Farm machinery. Augustin Garcia Sabio (agent), Ronda de Outeiro, 20, Gaiteira, La Coruna. WTD 10/69.

355 Special industry machinery

35522 — HONG KONG — Textile slashing machine. Hong Kong Supplies, Ltd. (importer, distributor, agent, retailer, exporter), 1102 Canton House, 56 Queen's Rd., C., P.O. Box 14879. Cable Address: OBTRADE, Hong Kong. WTD in preparation.

35551—HONG KONG—Automatic printing presses. Gande Price Wines & Spirits Ltd. (importer, distributor, agent, retailer), 238-241 Alexandra House, Ice House St., G.P.O. Box 247. Cable: SPHINX. WTD in preparation.

35593—GERMANY—Plastics working machinery including thermoforming machinery, ultrasonic welding machinery, high frequency welding machinery. Correspondence requested in German. Ulrich Becker (agent), 403 Ratingen, Pestalozzistrasse 7. WTD 11/69.

372 Aircraft, parts

37224—LUXEMBOURG—Aircraft, aviation products. Exclusive European or regional sales agent. Metropolitan Airmotive Inc. (importer, agent), Metropolitan Airmotive Inc., l'Aiglon-rue P. Federspiel. WTD 11/69.

394 Toys, amusement, sporting goods

39410 — AUSTRALIA — Toy midget cars, trucks. Samples requested. Bernard Cohen (importer, distributor, agent), 40 King St., Sydney, N.S.W. 2000. WTD 3/69.

395 Pens, pencils, office, artists' materials

39522 — HONG KONG — Drawing instruments, materials. Gande Price Wines & Spirits Ltd. (importer, distributor, agent, retailer), 238-241 Alexandra House, Ice House St., G.P.O. Box 247. Cable: SPHINX. WTD in preparation.

396 Costume jewelry, novelties, buttons, notions

39610—TANZANIA—Costume jewelry, costume novelties, other trinkets. Tropical Overseas Agencies (importer, distributor, agent), P.O. Box 2579, Dar es Salaam. WTD in preparation.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

MALAYSIA—The Federal Minister of Transport has announced that the American consulting firm of King and Gavaris, 500 5th Avenue, New York, N.Y., is now conducting feasibility studies for the **expansion of the Kota Kinabalu Port and for building a new port in Sandakan.** In its first reports, the firm recommended the expansion of Kota Kinabalu Port northwards of the existing port and the building of a new port in Sandakan at the west end of Allard Bay, with the development plans being implemented in stages. The Minister, who was referring to the USAID Regional Transport Communications Program, pointed out that the preliminary reports of King and Gavaris and the proposals therein have already been accepted by the government.

In Kota Kinabalu the implementation of construction costing approximately $9.5 million has been agreed to by the Government and will be undertaken as soon as the loan arrangements and detailed drawings and designs are finalized. The actual construction work is expected to take approximately two years. The completion of construction will provide Kota Kinabalu Port with a berthing space of 1,720 feet and will be capable of handling approximately 400,000 to 450,000 tons of cargo per annum. Further improvements will be considered when the need arises.

In Sandakan it is intended to implement the portions of construction that will include the reclaimed filled area and inshore concrete platform. The estimated cost of this project is approximately $9.5 million and when completed will provide four berths of a total berthing frontage of over 2,400 feet both in the outshore and the inshore. These wharves can easily handle between 400,000 to 450,000 tons of cargo and further expansion would be considered when traffic warrants it. The total estimated investment for Kota Kinabalu and Sandakan ports is expected to be between $20 to $23 million together with the handling equipment.

It is understood that approximately $270,000 has been approved by the Marine Department, Sabah, for 1970. $65,000 of this amount will be used for the purchase of navigational lights to replace and improve the existing navigational aids in Sabah waters and $195,000 to enable the Department to purchase equipment and tools for their marine workshops. The purchase of this equipment is expected in 1970. In compliance with the Malaysian Government's policy the above projects and purchases will be subject to international bids.

PAKISTAN — PNO Agricultural Services, First Floor, Karim Chambers, Merewether Road, Karachi, Division of Pakistan National Oils Ltd., is **interested in contacting U.S. equipment suppliers for two modern, large-sized rice milling units at Sheikhupura and Sukkur,** and employing a technical consulting firm to advise on plant purchase and installation.

Foreign exchange costs are estimated at $3 million. Each mill will have a milling capacity of 10 tons of clean rice per hour or 15 tons of paddy. Storage capacity will be 52,000 tons each and turnover capacity 80,000 tons. Mills will include facilities for mechanical cleaning, drying, parboiling and grading.

Argentina needs spillway gates, related equipment for project

Hidronor S.A., a Government-owned corporation in charge of the El Chocon-Cerros Colorados Hydroelectric Project, is inviting firms interested in bidding for the supply and installation of 18 arc spillway gates and ancillary equipment to submit their prequalifications no later than January 16.

Interested American firms may correspond directly with Hidronor S.A., Av. L. N. Alem 1074, Piso 4°, Buenos Aires, Argentina. Copies of conditions and technical specifications, both in Spanish and English, are available at a cost of 50,000 Argentine pesos per set.

Leads for Importers

Commodities are offered direct unless specified

012 Fruit, tree nut, vegetable farms

01220—ECUADOR—Fresh limes, lemons. COINCO—Corporacion Industrial y Comercial Cia. Ltda. (indent agent, exporter), P.O. Box 5980, Guayaquil. WTD 11/69.

203 Canning, preserving foods

20300—ECUADOR—Canned fruits, canned sea foods. COINCO—Corporacion Industrial y Comercial Cia. Ltda. (indent agent, exporter), P.O. Box 5980, Guayaquil. WTD 11/69.

New Books and Reports

***Overseas Business Reports.* U.S. Dept. of Commerce, Washington, 1969. $16 per year ($5 additional for foreign mailing). 15 cents per copy.**

Foreign Trade Regulations of Venezuela. OBR 69-52. 10 pp. Reviews the Venezuelan Government's basic trade policy; the import tariff system; documentation and fees; labeling and marking requirements; special customs provisions; non-tariff import controls; internal taxes and export controls, and U.S. controls which could affect trade with Venezuela.

Foreign Trade Regulations of Brazil. OBR 69-53. 9 pp. Contains the same types of information as OBR 69-52, above.

***Interpretive Explanation and Analysis of the Foreign Direct Investment Regulations.* U.S. Dept. of Commerce. 85pp.**

This *Official Bulletin* of the Office of Foreign Direct Investment contains the latest version of the foreign direct investment regulations, together with illustrative examples of the solutions to some of the more commonly encountered difficulties under the program. The 1969 Bulletin is principally interpretive and, to the extent that any provision of the regulations or other official OFDI publications may be modified, the changes are generally in the nature of liberalization or relaxation.

A limited number of copies of the Bulletin are available from the Program Reports Division, OFDI, U.S. Dept. of Commerce, Washington, D.C. 20230.

***Statistical Compendium of the Americas, 1969.* Pan American Union, Washington. 116pp. $1.**

This compendium includes sixty-one tables of statistical information for the countries in Central and South America. Major categories include territory, climate, population, foreign trade and finance, industrial and agricultural production, prices, wages and labor, housing and education. A detailed index is provided.

Write: Dept. of Statistics, Pan American Union, Washington, D.C. 20006

***Jeddah 68/69.* Published by the University Press of Africa and University Press of Arabia. Nairobi.**

An introduction to the leading commercial city of Arabia, this book contains such information as the fact that 45% of Saudi Arabia's imports enter through Jeddah; 34.2% of the Saudi budget is allocated for spending on new projects, and that $30 million is being spent on a new port.

Write: University Press of Africa and University Press of Arabia at Bank House, Government Road, Box 3981, Nairobi, Kenya. **Cable:** Books Nairobi.

***Buyers Guide, U.S. and International, 1969-70.* Published by Vend, Cincinnati. 154pp. $3.**

This Guide lists alphabetically manufacturers of vending machines, manufacturers of vendable products and manufacturers of allied products and equipment. For each, address, telephone number and personnel are given. There are seventeen countries represented in the international directory which lists foreign manufacturers and suppliers. Data on imports, population, rate of money exchange and vending associations are included.

Write: Vend, 2160 Patterson St., Cincinnati, Ohio 45214.

***United Kingdom Balance of Payments.* Published by the Central Statistical Office, London. 1969. 91pp. $3.**

A largely tabular representation of the British balance of payments situation through 1968. References to further information sources are included.

Write: Sales Section, British Information Services, 845 Third Ave., New York, N.Y. 10022.

New Thailand magazine

Thai-American Business, a new bimonthly magazine published under the direction of the American Chamber of Commerce in Thailand, will regularly feature stories on opportunities and problems of doing business in Thailand, news of chamber companies, analysis of important Thai economic developments and trends, and trade promotion news.

Feature articles in the inaugural issue (Sept.-Oct. 1969) are: Evaluating the Communist Threat in Thailand; The Future for American Investment; and IBEC's Design Thai —A Business in Rainbow Colors.

Write: American Chamber of Commerce in Thailand, GPO Box 703, Bangkok. $4.50 per year ($12 air mail).

***Euromoney.* A monthly magazine published by Euromoney Publications, Ltd. $40 per year (includes air mail postage).**

A journal of the international money and bond markets, the October issue included articles on: SDRs and Eurodollars —How the two will interact, by Robert V. Roosa; SDRs—How they will work and what may go wrong, by Samuel Schweizer, chairman of the Swiss Bank Corp.; The Eurodollar market and the balance of payments by Sir Roy Harrod; Britain's European dilemma by Sir George Bolton; and commentaries on gold, interest rates and Eurobonds.

Write. Euromoney, c/o Barclay's Bank D.C.O., 120 Broadway, New York, N.Y. 10005.

***Manual of Industrial Project Analysis in Developing Countries* (2 vols.). OECD, Washington. Vol. 1, 302pp., $12.50. Vol. II, 280pp., $5.**

These volumes are intended for engineers, economists, businessmen and administrators concerned with the preparation or evaluation of industrial projects in developing countries. Volume I examines problems involved in estimating the profitability of a proposed industrial investment from the point of view of the firm. An Annex to this volume contains industrial profiles. Volume II considers projects from the point of view of society as a whole—that social cost-benefit analysis is both important and possible.

Write: Organization for Economic Cooperation and Development, Publications Office, 1750 Pennsylvania Ave., NW. Washington, D.C. 20006.

***How To Start Selling Consumer Goods Abroad.* By T. R. Heatley. Business Books Ltd., London. 150pp. $5.40.**

This British publication is aimed at the smaller manufacturer of consumer goods. The initial stages of exporting procedures and techniques are presented. This is a "how to" book in the sense that all the chapters pose questions, which the author answers. Some of the questions posed and answered are: Aren't we too small to be of interest to foreign importers? Why are buying offices the best way to start? Can we pay for foreign representation and still be competitive?

Write: Business Books Ltd., Mercury House, Waterloo Road, London SE1, England.

☆ U. S. GOVERNMENT PRINTING OFFICE 1969—392-312/23

Calendar *for international traders*

BOSTON — Jan. 22 — International Center of New England's Eighth Annual World Business Perspective Conference, Sheraton-Plaza Hotel. Luncheon Speaker: **K. N. Davis, Jr., Asst. Secretary of Commerce for Domestic and International Business.**

BUTLER, PA. — Jan. 14 — Export Luncheon Forum, Elks Club, Noon. Sponsors: Butler Chamber of Commerce and Commerce Field Office.

CHICAGO—Jan. 6—Automotive Exporter's Club of Chicago, Builders Building.

CHICAGO — Jan. 15 — International Trade Club of Chicago meeting, LaSalle Hotel.

CHICAGO—Jan. 15—Chicago Midwest Credit Management Assn., Bismarck Hotel.

CHICAGO — Feb. 11-13 — Annual Personnel Conference, Palmer House. Sponsor: American Management Assn.

CHICAGO—Feb. 17-18—Thirty-third Chicago Mid-American World Trade Conference, LaSalle Hotel. Sponsors: International Trade Club of Chicago and the Chicago Association of Commerce and Industry.

FAIRFIELD, CONN. — Jan. 8 — Monthly luncheon meeting of the Export Managers Club of Bridgeport (Southern Connecticut), Fairfield Motor Inn, 12-2 p.m. Topic: Discussion of National Foreign Trade Convention.

GRAND RAPIDS, MICH.—Jan. 27 —Western Michigan World Trade Club, Swiss Chalet, 6 p.m.

JOHNSTOWN, PA.—Jan. 9—Export Luncheon Forum, Holiday Inn, Noon. Sponsors: Johnstown Chamber of Commerce and Commerce Field Office.

NEW YORK — Jan. 5-7 — International Corporate Insurance & Employee Benefit & Pension Management Concurrent Briefing Sessions, Roosevelt Hotel. Sponsor: American Management Assn.

NEW YORK—Jan. 20—International Executives Assn. Luncheon, Statler-Hilton Hotel. Speaker: Dr. Franz Pick.

NEW YORK—Feb. 25-27—Annual EDP Conference, Americana Hotel. Sponsor: American Management Assn.

OIL CITY, PA.—Jan. 15—Export Luncheon Forum, Holiday Inn, Noon. Sponsors: Oil City Chamber of Commerce and Commerce Field Office.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

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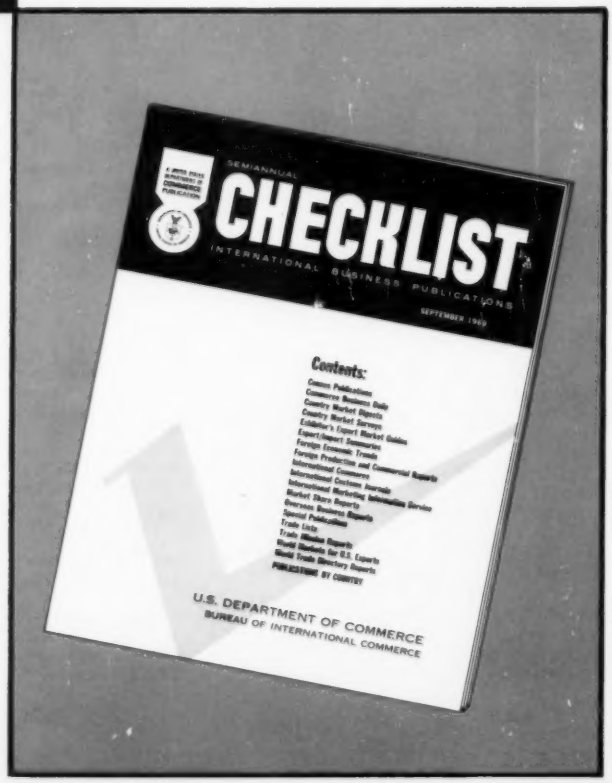

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